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INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

HEARINGS BEFORE THE SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD EIGHTY-FIFTH CONGRESS FIRST SESSION

PURSUANT TO SENATE RESOLUTION 74, 85TH CONGRESS

AUGUST 7, 8, 9, 12, AND 13, 1957

PART 11

Printed for the use of the Select Committee on Improper Activities in the
Labor or Management Field



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**May be found in the printed record.

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

WEDNESDAY, AUGUST 7, 1957

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senators John L. McClellan, Democrat, Arkansas; Irving M. Ives, Republican, New York; John F. Kennedy, Democrat Massachusetts; Karl E. Mundt, Republican, South Dakota; Barry Goldwater, Republican, Arizona; Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Paul J. Tierney, assistant counsel; Walter R. May, assistant counsel; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members present at the convening of the session were: Senators McClellan, Ives, Kennedy, and Curtis.)

Mr. KENNEDY. Mr. Chairman, we are going to continue today what we ended with last night on the voting, the individuals that were brought into the labor movement by Johnny Dio, into the UAW-AFL, and then were in turn transferred over to the teamsters for the purpose of voting in the election. We had one official yesterday, our last witness from Local 224 of the UAW-AFL.

Our first witness today is Mr. Frank Easton, who is president of local 224.

The CHAIRMAN. Mr. Easton, come forward, please.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. EASTON. I do.

TESTIMONY OF FRANK EASTON, ACCOMPANIED BY COUNSEL, LEON REICH

The CHAIRMAN. All right, Mr. Easton, state your name, your place of residence, and your business or occupation, please, sir.

Mr. EASTON. Sir, my name is Frank Easton. I live at 321 Wycoff Avenue, Brooklyn, N. Y.

The CHAIRMAN. Will you favor us by telling us your business or occupation?

Mr. EASTON. Sir, I respectfully decline to answer on the ground that my answer may tend to incriminate me.

The CHAIRMAN. You state under oath that you honestly believe that if you gave a truthful answer to that question, that such an answer might tend to incriminate you?

Mr. EASTON. Sir, I decline to answer on the grounds that my answer might tend to incriminate me.

The CHAIRMAN. You understood my question? I said you honestly believe that if you gave a truthful answer to the question regarding your business or occupation, that such an answer might tend to incriminate you?

(The witness conferred with his counsel.)

Mr. EASTON. Sir, I decline to answer on the grounds that I may waive my rights.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs you to answer the question as to whether you honestly believe that if you gave a truthful answer to the question with respect to what is your business or occupation, that such truthful answer might tend to incriminate you.

You are ordered and directed to answer.

Mr. EASTON. Sir—

(The witness conferred with his counsel.)

Mr. EASTON. Under that direction, sir, and only in view of that, I believe it would.

The CHAIRMAN. You know best. All right. Do you have counsel with you?

Mr. EASTON. I do, sir.

The CHAIRMAN. Counsel, identify yourself for the record.

Mr. REICH. Leon Reich, 141 Broadway, New York 6, N. Y.

The CHAIRMAN. Mr. Kennedy, proceed.

Mr. KENNEDY. Mr. Chairman, according to our information, Mr. Frank Easton became chairman of the UAW-AFL Local 224—

The CHAIRMAN. Chairman or president?

Mr. KENNEDY. President of UAW Local 224. When the election came up in 1956 and these paper locals were chartered in December of 1955, he was appointed as a trustee of the International Brotherhood of Teamsters, Local 269, which was one of the paper locals.

The CHAIRMAN. Do you mean the election in Joint Council No. 16?

Mr. KENNEDY. In New York City. He was also listed as a charter member of the paper local of the Teamsters No. 269.

We have here the charter affiliation for the UAW-AFL for local 224, Mr. Chairman, which lists Mr. Easton's name. It has already been marked as an exhibit.

The CHAIRMAN. The Chair presents to you exhibit No. 38, which has been previously identified as the official application for charter of affiliation. It is for the amalgamated charter No. 224. It is noted on this document that the charter was written September 15, 1953.

The clerk will present that document to you.

(Document was handed to the witness.)

The CHAIRMAN. The Chair ask you examine it and state first, if you identify the document.

(The witness conferred with his counsel.)

Mr. EASTON. Sir, are you asking me if I identify it or if I have examined the document?

The CHAIRMAN. Have you examined the document?

Mr. EASTON. I have, sir.

The CHAIRMAN. Do you identify it?

Mr. EASTON. Sir, I respectfully decline to answer on the grounds that my answer may tend to incriminate me.

(At this point Senator Goldwater entered the hearing room.)

The CHAIRMAN. Do you honestly believe that a truthful answer to that question, your identifying the document and saying whether you do identify it or not, might tend to incriminate you?

Mr. EASTON. Mr. Chairman, I respectfully decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Can you tell us what kind of a racket you have been in that causes you to decline to answer, to think you might be incriminated if you admitted you were an applicant for a union charter?

Mr. EASTON. Sir, I decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. You could not tell us that without incriminating yourself, is that right?

Mr. EASTON. Sir, I decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Are there any other questions on the charter? I think his name is on it. I want the record to show exactly.

According to this document, your name appears No. 1, right at the top, on the application for this charter.

Did you apply for this charter, along with the other signers?

Mr. EASTON. Mr. Chairman, I respectfully decline to answer on the basis that my answer may tend to incriminate me.

The CHAIRMAN. Is your name Frank Easton?

(The witness conferred with his counsel.)

Mr. EASTON. Yes, sir; it is.

The CHAIRMAN. That doesn't incriminate you?

(The witness conferred with his counsel.)

The CHAIRMAN. The name appears here; Frank Easton. Are you the same Frank Easton whose name appears here?

(The witness conferred with his counsel.)

Mr. EASTON. Sir, I decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. It appears this charter came through Johnny Dio. Do you know Johnny Dio?

Mr. EASTON. Sir, I decline to answer on the grounds my answer may tend to incriminate me.

The CHAIRMAN. Does he know you?

Mr. EASTON. Sir, I respectfully decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. There seems to be a lot of folks about to be incriminated in connection with this labor racket going on up there. Aren't you proud of being in that racket?

Mr. EASTON. Sir, I decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. You are not proud of it or you would not admit it. Is that it?

Mr. EASTON. I decline to answer, sir, on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Are there any other questions?

Mr. KENNEDY. Mr. Chairman?

The CHAIRMAN. Let me ask him another question.

Are you now a member of any labor union or labor organization?

Mr. EASTON. Mr. Chairman, I respectfully decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. I respectfully ask you if you are now a member or if you have been a member of a union organization in the past. I ask it just as respectfully as you decline to answer respectfully.

Mr. EASTON. Sir, I must again respectfully decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. The committee respectfully needs this information. Are you unwilling to give it?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. The honest union members of this country, the people who are working and paying dues to what they may believe to be an honest union, and under the administration of honest officials, respectfully, through this committee, request you to give us the information we are seeking.

Will you do it?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Proceed, Counsel.

(At this point, Senator Ives withdrew from the hearing room.)

Mr. KENNEDY. Mr. Chairman, we have some information that in 1955, Mr. Easton and his colleagues of local 224 raised some \$1,925 for a souvenir journal, that in 1956 they raised some \$810 for the souvenir journal, and that that souvenir journal has never been published.

I would like to ask you for any details that you have on that matter, please.

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Mr. KENNEDY. Our information is, Mr. Chairman, that this little less than \$3,000 was raised in 1955 and 1956 for ads in a journal that was never published, or has not been published to this time.

The CHAIRMAN. Do you believe that if you raised that money and honestly administered it for the purposes for which it was raised, that such action might tend to incriminate you?

Mr. EASTON. Mr. Chairman, I must decline to answer on the grounds that my answer may tend to incriminate me.

Mr. KENNEDY. Mr. Chairman, we also have information which indicates that when our investigators went to visit Mr. Easton, and Mr. Seglin, and, I believe, Mr. Reich, the attorney was present, during that interview their conversation was bugged. There was a bug put in the room to take down the questions that were asked.

I am wondering, Mr. Easton, if that is correct.

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Mr. KENNEDY. Was the conversation monitored, the interview that Mr. Dunne had with you at that time on January 8?

Mr. EASTON. Sir, I must again decline to answer on the basis that my answer may tend to incriminate me.

The CHAIRMAN. Will you produce the wire, if you took a wiretap of it?

Mr. EASTON. Would you repeat the question?

The CHAIRMAN. Did you take a wiretap of it, of the conversation? Have you got a recording of it?

Mr. EASTON. Again, sir, I must refuse to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. We would be very happy if you would produce it. Would you accommodate us?

Mr. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Would you not like to hear it played back?

Mr. EASTON. Is that a question, sir?

The CHAIRMAN. I thought it was.

Mr. EASTON. I must refuse to answer on the grounds that my answer may tend to incriminate me.

Senator KENNEDY. I would like to ask a question.

The attorney now with Mr. Easton, was he present during that interview?

Mr. EASTON. Pardon me?

Senator KENNEDY. I am asking counsel. Was the attorney who is now representing Mr. Easton present during this interview which was supposed to have been recorded?

Mr. KENNEDY. Yes.

(The witness conferred with his counsel.)

Senator KENNEDY. I would like to ask the attorney if he would care to comment on that. Does he know that this conversation was recorded unbeknownst to the interviewers or investigators?

Mr. REICH. Senator, I tell you unequivocally, the only interview I recall being present at was one where the staff members wanted to see the books of local 224, where we arranged for them to have complete access to all the books and records, and they did have such complete access.

To the best of my knowledge, sir, and to this moment, sir, I have no knowledge of any bugging being done or any tapping being done or any recording being made in any manner, shape, or form whatsoever.

Senator KENNEDY. To the best of your knowledge, was a stenotypist or a reporter on behalf of the committee investigators present at that time?

Mr. REICH. There was not, sir.

Senator KENNEDY. In other words, there was no one taking down the questions on behalf of the committee; is that correct?

Mr. REICH. That is correct, sir. My recollection is that merely a conversation with respect to arranging for the going over of all the books, records, and other data in the possession of the union, which was made available.

Senator KENNEDY. Do you recall the questions that were asked?

Mr. REICH. Honestly, no, sir.

Senator KENNEDY. Did you take them down?

Mr. REICH. I did not.

Senator KENNEDY. Did anyone else take them down?

Mr. REICH. I don't believe they did.

Senator KENNEDY. I would like to ask the counsel why he believes they took it down.

Mr. KENNEDY. We subpoenaed the records of the international, and from the international we got a list of the questions that were asked almost verbatim, that were asked during that interview.

Senator KENNEDY. How many questions were asked?

Mr. KENNEDY. Some 54 questions.

Senator KENNEDY. Do you have an explanation as to how that could be done without someone recording it?

Mr. REICH. Senator, I have an explanation as to how that could have been done and at least a theory of what happened. That is from the recollection of someone present, that someone being someone other than myself, a list of the questions or the subject matter was forwarded to the international. It could have been, sir, and to the best of my knowledge it was not verbatim.

The CHAIRMAN. Did you forward this to the international as attorney?

Mr. REICH. I did not, sir.

The CHAIRMAN. You have no knowledge of it?

Mr. REICH. No knowledge whatsoever.

The CHAIRMAN. Present that to the witness. Let the witness look at it.

(Document was handed to the witness.)

The CHAIRMAN. Did you ever see that document before, Mr. Witness?

(The witness conferred with his counsel.)

Mr. EASTON. Mr. Chairman, will you repeat that question, please?

The CHAIRMAN. Have you seen that document before, the document I presented to you there, a list of questions that was obtained from the international files?

Mr. EASTON. Yes, sir; I have.

The CHAIRMAN. And it is purporting to be questions that were asked at the time.

Mr. EASTON. Yes, sir; I have.

The CHAIRMAN. You have seen it before?

Mr. EASTON. I have.

The CHAIRMAN. Did you prepare it?

Mr. EASTON. I dictated it; yes, sir.

The CHAIRMAN. You dictated it from a recording you made at the time?

Mr. EASTON. I did not.

The CHAIRMAN. From a monitor of it that was taken by someone else?

Mr. EASTON. No, sir; I did not.

The CHAIRMAN. You dictated it from recollection?

Mr. EASTON. Yes, sir.

The CHAIRMAN. Now I will ask you again the question: Was that conversation monitored or was it bugged in any way, a recording made of it?

(The witness conferred with his counsel.)

Mr. EASTON. Not to the best of my knowledge, sir. Certainly we did not record it or bug it.

The CHAIRMAN. It doesn't incriminate you to say that, does it, if that is the truth? That is what I asked you awhile ago.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. To whom did you dictate it?

Mr. EASTON. Do you want the specific name, sir?

Senator CURTIS. Yes.

(The witness conferred with his counsel.)

Mr. EASTON. I believe it was to one of the girls in the office. I can't recollect——

Senator CURTIS. What was her name?

Mr. EASTON. I believe it was June Licata.

Senator CURTIS. In what office?

Mr. EASTON. In my office.

Senator CURTIS. What is the address of that office?

(The witness conferred with his counsel.)

Mr. EASTON. Sir, I must respectfully decline to answer on the basis that my answer may tend to incriminate me.

The CHAIRMAN. You are ordered and directed to answer the question. With the approval of the committee, the Chair gives you such order and direction right now.

Mr. EASTON. Sir, I must again decline to answer on the grounds that my answer may tend to incriminate me.

Senator CURTIS. Who else was present when you dictated this to this stenographer?

Mr. EASTON. Sir, I must again decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. You are ordered and directed to answer the question.

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator KENNEDY. Will the Senator yield?

Senator CURTIS. Yes.

Senator KENNEDY. I wonder if it would be possible for a member of the staff to call this young lady on the phone now and ask her if she took that dictation, and, if necessary, to get her down before the committee. The witness made a statement which, on looking over the 55 questions, I don't think anyone in the world can, by recollection, write 55 questions down.

The staff member present at the interview said they are verbatim. I think that is a physical impossibility, but I think we ought to get the girl on the phone now and see if she did do that.

Mr. REICH. Senator, if I may interject, it is my understanding that staff members of the committee have interviewed the young lady in question.

Mr. KENNEDY. Not on this subject.

Mr. REICH. That, of course, I wouldn't know.

Senator CURTIS. Mr. Chairman, I favor such a proposal.

The CHAIRMAN. The call is now being taken care of.

Senator CURTIS. What was your answer to who else was present when you dictated this?

Mr. EASTON. Sir, I decline to answer on the grounds that I may tend to incriminate myself.

Senator CURTIS. Who, if anyone, helped you reconstruct these questions?

Mr. EASTON. Sir, I must decline to answer on the grounds that I may tend to incriminate myself.

Senator CURTIS. But you have testified that you dictated them and that you did so from memory or recollection.

Now I ask you, did anyone assist you in any way to help recall what was asked?

Mr. EASTON. Senator, I must decline to answer on the basis that my answer may tend to incriminate me.

Senator CURTIS. How long did it take you to dictate these questions?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator CURTIS. Were they typed up more than once before being transmitted to the international?

Mr. EASTON. Again, sir, I must decline to answer on the grounds my answer may tend to incriminate me.

The CHAIRMAN. With the permission of the committee, the Chair orders and directs you to answer the question. You testified that you dictated it. When you do that, I think the committee is entitled to know what followed the dictation and what transpired with respect to it thereafter.

According to you, according to your testimony, it is your document. You are the author of it. You have so admitted.

Therefore, the Chair will direct the witness to answer any questions asked him regarding the document.

That document may be made exhibit No. 41 for the record.

(The document referred to was marked "Exhibit No. 41" for reference, and may be found in the files of the select committee.)

Mr. REICH. May I, Mr. Chairman, for the sake of the record, object to this question, and this entire line of questioning, on the grounds that it appears to me to be beyond the scope of the purposes for which the Senate has set up this committee, and on the ground that I don't know, and fail to see what legislative purpose there can be, or what the materiality of this line of questioning is to the proceedings for which this committee was created.

The CHAIRMAN. Objections are overruled. The Chair holds that the questions in the document, many of them, are pertinent to this inquiry. The answers thereto would be pertinent to this inquiry.

Therefore, the Chair overrules the objection.

We will proceed to try to find out whatever we can about the document and how it originated, as has been testified to by the witness, and what purpose it served.

Senator CURTIS. These 54 questions, were they in the same order when they were transmitted to the international as they were when you dictated them the first time?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator CURTIS. How did this document get into the hands of the international?

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator CURTIS. You dictated—

The CHAIRMAN. Just a moment. With the approval of the committee, the Chair orders and directs you to answer the question.

Mr. EASTON. Respectfully, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator CURTIS. That is all, Mr. Chairman.

Senator KENNEDY. Can you remember any of these 54 questions? Could you recall them right today?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator KENNEDY. You stated to the committee, without taking the fifth amendment, that you had dictated these questions from memory. They appear to be, according to our staff, in order and verbatim. It seems to me, if you could do that, you could at least today tell us a few of the questions you were asked.

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator KENNEDY. One of these questions, No. 17, was,

Did you ever organize under another name, such as 224-A, or something like that?

Did you have any difficulty remembering that number?

Mr. EASTON. Senator, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

Senator KENNEDY. Another question was:

Do you know anyone by the name of "Ski" or "Wisiski," or something like that?

Did you have any trouble remembering that?

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. With the approval of the committee, the Chair orders and directs you to answer the last two questions of Senator Kennedy.

Mr. EASTON. Mr. Chairman, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

Senator CURTIS. Mr. Chairman, I have a question that will not incriminate him.

Will you repeat the first 54 questions that you have been asked today?

Mr. EASTON. Senator, I must again respectfully decline to answer on the grounds that my answer may tend to incriminate me.

Senator CURTIS. That could not incriminate you. Repeat the first five.

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator GOLDWATER. May I ask the staff a question?

Did the staff disclose any other documents similar to this when they were looking through the files of the International?

Mr. KENNEDY. This is the only one similar to this.

Senator GOLDWATER. The only list of questions?

Mr. KENNEDY. That is right.

Senator GOLDWATER. When did Dio tell you to write the questions down?

Mr. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

Senator GOLDWATER. He told you at some time to write them down?

Mr. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

Senator GOLDWATER. Is that not one of the requirements of his organization, that any information like this must be passed right on up?

Mr. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

Senator CURTIS. This exhibit appears to be a carbon copy.

Will you tell us where the original is?

Mr. EASTON. Senator, I must respectfully decline to answer on the ground that my answer may tend to incriminate me.

The CHAIRMAN. With the permission of the committee, the Chair will order and direct you to answer the question.

First I will ask this question: Do you know where the original is?

Mr. EASTON. Sir, I decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. The Chair orders and directs you to answer the question.

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Mr. KENNEDY. Mr. Chairman, moving on to November 8, 1955, when Local 269 of the International Brotherhood of Teamsters received its charter, we see that Mr. Frank Easton's name is listed as one of those applying for the charter of local 269, one of the paper locals, and there is also a Richard Easton listed. We understand Mr. Frank Easton has a brother, Richard Easton.

The CHAIRMAN. The other charter was for 224, was it not?

Mr. KENNEDY. 224 was in the UAW, and now it is a transfer of some of the names of these UAW locals of Johnny Dio being used as applicants for the teamster paper locals. Mr. Easton's name, coming from UAW 224, was used as an applicant, his name was used as an applicant, for 269 of the teamsters. This is November 1955. This is 269 of the teamsters, one of our paper locals, who had as the secretary-treasurer, Joe Curcio.

The CHAIRMAN. The Chair presents to you exhibit No. 39 of the evidence previously taken by the committee, asks you to examine it, and state if you identify it. State if your name is on it, if you were one of the applicants for that charter.

(Document was handed to the witness.)

(The witness conferred with his counsel.)

Mr. EASTON. Would you repeat the question, Mr. Chairman.

The CHAIRMAN. Have you examined the document presented to you?

Mr. EASTON. I have, sir.

The CHAIRMAN. Do you recognize it?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Do you identify it?

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Is your name on it?

(The witness conferred with his counsel.)

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. You can see, can't you?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. You are not blind, are you? Can you read and write?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Can you see your name on that document, as one of the applicants for a charter?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Have you got a brother?

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. What is your brother's name?

Mr. EASTON. Sir, I respectfully decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Do you honestly believe that if you gave a truthful answer to the fact as to whether you have a brother, that such an honest and truthful answer might tend to incriminate you? Do you honestly believe that? Do you state that you honestly believe that under your oath?

Mr. EASTON. Sir, I decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. You are ordered and directed to answer the question. I gave that order and direction with the approval of the committee.

Mr. EASTON. Sir, again I must respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you know if your position is correct, if there is any justification for the position you are taking? This must be an awful, awful racket, where a man gets so involved that he can't acknowledge that he has a brother, and can't tell his brother's name without incriminating. It is one of the most disgraceful and shameful situations that exists in America today, if you are at all sincere and in good faith when you state under oath that you honestly believe that if you gave a truthful answer as to whether you have a brother or not, such an answer might incriminate you.

Proceed, Mr. Counsel.

Mr. KENNEDY. Mr. Chairman, a list was furnished to the joint council 16 of those who were eligible to vote in the election that was to be held on February 14, 1956, and that list was submitted on November 29, 1955, for Local Union 269 of the Teamsters. The list was signed by Joseph Curcio, secretary-treasurer.

Mr. Frank Easton's name appears as one eligible to vote with the title of trustee.

The CHAIRMAN. Mr. Easton, the Chair presents to you a document which is a photostatic copy of a letter dated November 29, 1955,

addressed to joint council 16, written by Joseph Curcio, secretary-treasurer of local 269, which says:

We are submitting the names and titles of the officers of our local union 269, and respectfully request these same names be seated as delegates to the joint council 16.

I ask you to examine that document and see if you identify it.

(A document was handed to the witness.)

Mr. EASTON. I have examined it, sir.

The CHAIRMAN. Do you identify it?

Mr. EASTON. Sir, I respectfully decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Is your name on it?

Mr. EASTON. Again, sir, I respectfully decline to answer on the basis that my answer may tend to incriminate me.

The CHAIRMAN. I know that your name is on it if your name is Frank Easton, and you know it, too. So I will ask you then, on that basis, if you were seated as a delegate.

Mr. EASTON. Again, sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Did you vote at that convention?

Mr. EASTON. I must again decline to answer, sir, on the ground that my answer may tend to incriminate me.

The CHAIRMAN. If it were true and, of course, it is, that is a tragedy of a democracy, to have folks vote in a labor union election, then if he admitted it, it might tend to incriminate him.

That document that has just been identified may be made exhibit No. 42.

(The document referred to was marked "Exhibit No. 42" for reference and will be found in the appendix on p. 4441.)

The CHAIRMAN. I hand you another document, a letter of February 2, 1956, to the joint council from Joseph Curcio, saying:

This certifies that the bearer, Frank Easton, is an executive board member of our local union 269, and is eligible to vote in the joint council election.

I ask you to examine that document and see if you identify it.

(A document was handed to the witness.)

Mr. EASTON. Sir, I have examined the document.

The CHAIRMAN. Do you identify it?

Mr. EASTON. Sir, I must decline to answer on the basis that my answer may tend to incriminate me.

The CHAIRMAN. That document may be made exhibit No. 43.

(The document referred to was marked "Exhibit No. 43" for reference and will be found in the appendix on p. 4442.)

The CHAIRMAN. Do you know any other man by the name of Frank Easton?

Mr. EASTON. Again, sir, I must decline to answer on the basis that my answer may tend to incriminate me.

The CHAIRMAN. If that certification is true, that you are a member of the executive board of that union and, therefore, a delegate to that convention and entitled to vote, I would assume you would know whether there is any other Frank Easton who is a member of that union.

I ask you, do you know if there is any other member of that union by the name of Frank Easton?

MR. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

(At this point, Senator Kennedy withdrew from the hearing room.)

THE CHAIRMAN. Are there any other questions?

MR. KENNEDY. Mr. Chairman, I might say in that connection, that under those credentials a ballot was cast for John O'Rourke in that election that was held February 14 in New York, one of the ballots that was impounded.

There was also a ballot cast from local 258 in the name of Richard Easton, which is another one of the paper locals.

THE CHAIRMAN. Is Richard your brother?

MR. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

THE CHAIRMAN. Do you call him Dick sometimes?

MR. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

THE CHAIRMAN. Well, are you Richard's brother?

MR. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

THE CHAIRMAN. Are there any other questions?

SENATOR CURTIS. Mr. Chairman, I would like to ask a few questions that have nothing to do with these union transactions, but they do serve a legislative purpose because I am interested in who carries on bargaining, negotiations, and something about their background.

When were you born?

(The witness conferred with his counsel.)

MR. EASTON. Sir, I must respectfully decline—excuse me. I am sorry sir. I take that back.

I was born in 1926.

SENATOR CURTIS. Where?

MR. EASTON. In Brooklyn.

SENATOR CURTIS. What schools did you attend?

MR. EASTON. High school.

SENATOR CURTIS. Did you graduate from high school?

MR. EASTON. No, sir.

SENATOR CURTIS. How far did you go in school?

MR. EASTON. About halfway through.

SENATOR CURTIS. What was your first job?

MR. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

SENATOR CURTIS. Who was your first employer?

MR. EASTON. Again, sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

SENATOR CURTIS. Have you had any training in labor relations?

MR. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

SENATOR CURTIS. When did you enter the field of labor union activity?

MR. EASTON. Senator, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

SENATOR CURTIS. Could you tell me why you chose labor union activity as your work?

MR. EASTON. Again, sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

Senator CURTIS. I have no further questions.

The CHAIRMAN. Let me ask you one question. I believe you say you were born in Brooklyn?

Mr. EASTON. Yes, sir.

The CHAIRMAN. Is it safe for the committee to assume then, that you had a mother.

(The witness conferred with his counsel.)

The CHAIRMAN. Do you not think that that is a reasonably safe assumption?

Mr. EASTON. I would say that was a reasonable assumption, yes, sir.

The CHAIRMAN. Did she have another son besides you?

Mr. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. I think that is a reflection on your mother, if you want to leave the record that way. Do you want to leave it that way?

Mr. EASTON. Again, sir, I must decline to answer, since my answer may tend to incriminate me.

The CHAIRMAN. The record will have to stand, then.

Senator Goldwater?

Senator GOLDWATER. Mr. Easton, what work do you do in the refrigeration field?

Mr. EASTON. Senator, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator GOLDWATER. I do not see how that can incriminate you. It is a subject that we have interest in. Do you take care of the whole job of refrigeration or do you handle just the compressing end of it, or what?

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator GOLDWATER. Has there been any time in your life when you have been arrested?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator GOLDWATER. Do you have any feeling that you might be involved with the law soon?

Mr. EASTON. Sir, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

Senator GOLDWATER. Did Mr. Dio tell you what to say when you came down here?

Mr. EASTON. Sir, again I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator GOLDWATER. Can we expect pretty much the same testimony from him?

Mr. EASTON. Pardon me, sir?

Senator GOLDWATER. Can we expect pretty much the same testimony from Mr. Dio?

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator GOLDWATER. From your answer, then, I assume that you know what Mr. Dio will testify to.

Mr. EASTON. Is that a question or a statement, sir?

Senator GOLDWATER. That was a statement, but I will put it in the form of a question if you want to take the fifth amendment on it. Do you know what Mr. Dio is going to testify to?

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

Senator GOLDWATER. Have not all you fellows gotten together in the back room up there with Johnny Dio and discussed what you would say when you came down here? You would have to have a pretty big room. I think there are about 98 of you.

Mr. EASTON. Again, sir, I must decline to answer.

Senator GOLDWATER. You leave the assumption, you leave the possibility of assumption, that such a meeting did take place because we are getting a rather startling similarity in testimony from you people, confined to the usual language of taking the fifth amendment.

Certainly, you could not have done that on your free will. The similarity is too marked. I am inclined to think that you got together in the back rooms and Johnny Dio said, "Now, boys, when you go down there, don't say anything that will get me in trouble." Did he threaten you?

Mr. EASTON. Sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Did orders come down from Jimmy Hoffa for you to testify this way, and others?

Mr. EASTON. Again, sir, I must decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Well, if they did not, do you not think it would be fair to him?

Mr. EASTON. Pardon me, sir?

The CHAIRMAN. If he did not send down such orders and you did not get such orders, do you not think it would be fair to him for you to say that you did not, instead of taking the fifth amendment?

Mr. EASTON. Mr. Chairman, I must respectfully decline to answer on the grounds that my answer may tend to incriminate me.

The CHAIRMAN. Are there any other further questions?

Mr. KENNEDY. I might say about Mr. Easton that we made an examination and have not found that he has been arrested or indicted for anything.

The CHAIRMAN. Are there any other questions?

Mr. Easton, you will remain under your present subpoena, subject to recall by the committee at such time as it may need further testimony from you. If you will acknowledge that recognizance, the Chair will permit you to go for the present.

Mr. EASTON. I do, sir.

The CHAIRMAN. And you will return upon notice without being resubpenaed?

Mr. EASTON. Yes, sir, I will.

The CHAIRMAN. You will be given reasonable notice. All right, you may stand aside.

Call the next witness.

Mr. KENNEDY. Mr. Chairman, we are now going to call Mr. George Snyder, president of Local 250 of the UAW-AFL. He was a charter member of Local 258 of the teamsters.

The CHAIRMAN. Mr. Snyder, come forward, please.

Mr. KENNEDY. He is also, Mr. Chairman, listed as president, presently, of 362 of the teamsters.

(Present at this point were Senators McClellan, Goldwater, and Curtis.)

The CHAIRMAN. Mr. Snyder, will you be sworn?

Do you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SNYDER. I do.

TESTIMONY OF GEORGE SNYDER, ACCOMPANIED BY HIS COUNSEL, ALEXANDER ELTMAN

The CHAIRMAN. State your name, your place of residence, and business or occupation.

Mr. SNYDER. My name is Joseph George Snyder. I reside at 86-91 208th Street, Queens.

The CHAIRMAN. Do you want to answer the third part of the question as to what your present business or occupation is?

Mr. SNYDER. Sir, I decline to answer on the grounds that it may tend to incriminate me, under the fifth amendment.

The CHAIRMAN. You have counsel with you?

Will you answer that? That would not incriminate you.

Mr. SNYDER. Yes, sir.

The CHAIRMAN. Mr. Counsel, will you identify yourself for the record?

Mr. ELTMAN. I am Alexander Eltman, a member of the bar of the State of New York. My office address is 350 Fifth Avenue, in the Borough of Manhattan.

The CHAIRMAN. All right, Mr. Counsel, proceed.

Mr. KENNEDY. Mr. Chairman, our interest in Mr. Snyder originates with his getting a charter, requesting a charter, from Mr. Johnny Dioguardi, requesting a charter for Local 250 of the UAW-AFL, which charter was granted on October 14, 1952.

We have a document here which I would like to have the witness identify.

The CHAIRMAN. The Chair presents to you a photostatic copy of a letter, dated September 30, 1952, addressed to John Dioguardi, UAW, Local 649, 130 West 42d Street, New York City.

The letter purports to be signed by George Snyder. Will you examine this letter, please, this document and see if you identify it?

(A document was handed to the witness.)

Mr. SNYDER. Sir, I have examined the document and I decline to answer on the grounds that it may tend to incriminate me.

The CHAIRMAN. Do you think that letter is self-incriminating?

(The witness conferred with his counsel.)

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Do you honestly believe that if you answered the question truthfully, that a truthful answer might tend to incriminate you?

Mr. SNYDER. It might, sir.

(At this point, Senator Kennedy entered the hearing room.)

The CHAIRMAN. The letter will be made exhibit No. 44.

Would you like to read the letter for the record, or would you prefer to have the chairman read it in your presence?

(The witness conferred with his counsel.)

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Do you think it would tend to incriminate you to say whether you prefer to have the chairman read it?

Mr. SNYDER. Sir, I decline to answer on the grounds it would tend to incriminate me.

The CHAIRMAN. You think it may incriminate you if I read it aloud in your presence?

(The witness conferred with his counsel.)

Mr. SNYDER. It might, sir.

The CHAIRMAN. I am sorry. I will have to do it.

(The document referred to was marked "Exhibit No. 44" and follows.)

The CHAIRMAN. Hand me the letter.

This letter is dated September 30, 1952. Apparently it is on plain stationery. It is addressed to Mr. John Dioguardi, UAW, Local 649, 130 West 42d Street, New York City.

DEAR FRIEND JOHN: As per our conversation of the 30th of September, I am inclosing a complete data on our membership. We have under contract the following firms:

1. Ledkote Products Corporation, 35-10 Vernon Boulevard, L. I. C.
2. Metaplast Process, Incorporated, 35-15 56th Street, Woodside, Long Island.
3. Topps Auto Body Repair, 778 Bruckner Boulevard, Bronx.
4. Federal Fiber Corporation, 3704 10th Street, L. I. C.
5. Rockaway Road Manufacturing Co., 104-37 150th Street, Jamaica.

All these firms combined consist of approximately 300 employees who are dues-paying members.

Thank you for your interest in our behalf toward getting a charter from your international and hoping we receive the application form real soon, I remain,

Yours truly,

GEORGE SNYDER.

With the signature of George Snyder above it. You said you examined this letter. I ask you if this signature on the letter is yours.

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. You said it might tend to incriminate you if I read the letter. Do you feel now that you may have been incriminated by the reading of the letter?

Mr. SNYDER. Pardon me, sir?

The CHAIRMAN. I said you said before I read the letter that it might tend to incriminate you if I read it. Do you feel now that you are incriminated by reason of the letter having been read?

(The witness conferred with his counsel.)

Mr. SNYDER. Sir, I decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Chairman, we have a number of other letters here which were subsequent to this and which involved the granting of the charter and which show the complete control that Mr. Dio had over this local and over the situation in New York.

This is local 250. As I said, Mr. Snyder became a charter member of 258 of the teamsters and is presently president of local 362 of the teamsters.

Senator KENNEDY. Is he in control now of that teamsters' local?

Mr. KENNEDY. He is now, presently, according to our records, president of Local 362 of the International Brotherhood of Teamsters.

Senator KENNEDY. Did this local have seven votes at the time of the election?

Mr. KENNEDY. Yes.

Senator KENNEDY. And no members at that time?

Mr. KENNEDY. Yes.

Senator KENNEDY. Did you vote?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. Although he was a charter member of the teamsters and is presently president of local 362, he didn't vote in the election. At least, nobody voted under the name of George Snyder in the election.

Senator KENNEDY. Can you give an explanation for that, if the union you were the president of was voting at that time—can you answer whether it did vote or whether anybody voted for you or whether anybody representing your local voted in the election last year for the president of the council, or chairman of the council, the O'Rourke-Lacey dispute?

Mr. SNYDER. Sir, I decline to answer on the grounds it may incriminate me.

Senator KENNEDY. You do have that information?

Mr. KENNEDY. Local 362 and 258, both of them, voted in the election. I will get the names of those.

Senator KENNEDY. Mr. Snyder was, nevertheless, president of it?

Mr. KENNEDY. He is presently president.

At that time it listed Sidney Hodes as president.

As I explained the first day, the key officers of 649, Johnny Dio's local, they came down into each one of these locals, 258, 269, 284, and 362, and then into 269 came a brother of a great friend of Johnny Dio, Nat Gordon. You can see how down into 362 came Sidney Hodes, and he became president. Then we have about six other names. Abe Brier came down, Martin Slinger, George Monica, Stanley Seglin, Joseph Consentino, and Jerry Stein.

Senator KENNEDY. Nearly all the officers of 369 became leading officers of all the paper unions?

Mr. KENNEDY. That is right, 258, 269, 284, and 362, and then Gordon, a friend of Johnny Dio, became a leading officer at 361.

Senator KENNEDY. The ethical practices committee of the AFL-CIO feels that any member obliged to take the fifth amendment should resign as a member of the AFL-CIO. Do you plan to resign?

Mr. SNYDER. I decline to answer on the grounds it may tend to incriminate me.

Senator KENNEDY. In other words, you are challenging the report of the ethical practices committee and refusing to resign from the AFL?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

Senator KENNEDY. What is the position the teamsters have taken in New York City on this question of whether a member should continue to hold the position of responsibility in a teamster local when he comes before a Senate committee and refuses to answer the most basic questions? Do you know what the position is?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

Senator KENNEDY. When do you come up for election?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

(At this point, Senator Mundt entered the hearing room.)

Senator KENNEDY. Were you ever elected?

Mr. SNYDER. I decline to answer on the grounds it may tend to incriminate me.

Senator KENNEDY. Would you care to tell the committee how you were chosen to be the president?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

Senator KENNEDY. Did Johnny Dio play a large part in securing you the office of president of a teamster local?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Along the line of the questions of Senator Kennedy, it has been my observation here that when international officers wanted to remove a president or any other officer, they always had means of doing it, by lifting the charter, putting it under trusteeship, or other means.

I would like to ask the staff this question: Based upon Mr. Snyder's present connection with the union, who in the international would have authority to remove him, should they so desire after his appearance here before this committee today?

Mr. KENNEDY. It would be up, I would think, to Mr. Dave Beck to take action in that field.

Senator CURTIS. He could, if he wanted to?

Mr. KENNEDY. Yes.

Senator CURTIS. It will be interesting to note what international leaders aline themselves with the men and women who work, and who pay the dues, whether they are for those people or whether they aline themselves with power and moneygrabbing leaders who cannot reveal their transactions.

Would anybody else have any authority in this besides Dave Beck? Does he do it with advice or consent of anybody?

Mr. KENNEDY. I think he takes the initial action, and then the man comes up for a hearing, according to the code, and the individual who takes the fifth amendment should have a hearing prior to the time he loses his job. He can be suspended in between that time.

But prior to the time he is released from his job completely, he has the right to have a hearing.

That action should be initiated by Mr. Dave Beck.

Senator CURTIS. It has been gratifying to see that a number of important labor leaders have agreed with the necessary role that this

committee plays, in finding out what is going on, and the part coming out of these hearings. I hope the labor leaders of America go one step further and bring out some recommendations with reference to a change in law.

I hope they go to the very heart of this proposal, to take away the temptation for people to seize power because it does offer an opportunity for them to enrich themselves.

Senator MUNDT. Mr. Chairman, I have a question of counsel.

I wonder whether counsel believes that Mr. Dave Beck considers taking the fifth amendment a crime sufficiently grave for removing a labor leader from office.

Mr. KENNEDY. Senator Mundt, I haven't seen any particular signs that he does so far.

The CHAIRMAN. The Chair will present to you some further documents.

The letter that I first asked you about, which has been made an exhibit, has been made exhibit 44 and was dated September 30, 1952. I will ask you now to examine this document, which is a photostatic copy of the official application for a charter, which bears your name, and also your signature as president of local 250, and ask you if you identify it. It is dated October 6, I believe.

(Document handed to witness.)

(The witness conferred with his counsel.)

Mr. SNYDER. Sir, I have examined the document and I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Is that your signature on the document?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Do you think it might incriminate you if you got a charter from the UAW-AFL?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Now I present to you the original of a letter dated November 17, 1952, on stationery of Amalgamated Union Local 649, addressed to you, Mr. George Snyder, signed by Johnny Dioguardi, president of local 649, together with an attached bill for \$20 for charter and supplies, United Automobile Workers of America, International Union, affiliated with the American Federation of Labor.

I ask you to examine this letter, which is an original, and state if you identify it, if you received it.

(Document handed to witness.)

(The witness conferred with his counsel.)

Mr. SNYDER. Sir, I have examined the documents, and I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. The documents may be made exhibit 45.

(The documents referred to were marked "Exhibit No. 45" for reference and will be found in the appendix on pp. 4443-4444.)

The CHAIRMAN. You do not want to acknowledge that you received that letter?

Mr. SNYDER. Sir, I decline to answer on the grounds that it may tend to incriminate me.

The CHAIRMAN. Would you mind telling us what there is about the letter that might incriminate you?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Was it the source of it and the author of the letter that you think might incriminate you?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Do you know Johnny Dioguardi?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Does he know you?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. This former letter that I introduced here, a photo-static copy, in which you wrote to Mr. Dioguardi, you said in that regarding your conversation of the same date. You were writing a letter giving him the list of names. Would you deny that you had a conversation with him on that date?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. What is there in connection with your association with him and with labor unions that might tend to incriminate you?

Can you, in justice and in fairness, and with some decency toward the union movement in this country, and toward the honest working people, state what there is about your connection with the labor union, a labor organization, that might incriminate you if you disclosed it?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Did you ever hear of this letter before? I will read it to you. It is on Amalgamated Union Local 649. It is dated October 1, 1952. The letter reads as follows, and I want to know if you heard of this letter before or knew anything about it. I will read it to you in full.

Mr. ANTHONY DORIA,

*United Automobile Workers of America,
429 West Michigan Street, Milwaukee, Wis.*

DEAR TONY: Enclosed herein please find letter of application for a charter to be issued in the metropolitan area. I have investigated the people involved here and find that they have an excellent labor background and have been functioning as a labor organization for several years.

As per your instructions, I emphasized the necessity for proper per capita taxpayments, furnishing of copies of all labor management agreements to the international, and making themselves available at all times for instruction and check by the international as to other records and activities.

Mr. Snyder and his fellow officers agree to the terms and conditions as laid down by the international.

I urge your valuable action herein as I am convinced that this union would be an asset to the international and to the labor movement in this area.

Fraternally yours,

AMALGAMATED UNION LOCAL 649, UAW-AFL.

Printed first is the name of John Dioguardi, and a signature that reads "John Dioguardi."

Do you know anything about that letter?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. This letter, since it has been read into the record, may be made exhibit 46, for reference only.

(The document referred to was marked "Exhibit No. 46" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Mr. Snyder, have you any comments you wish to make in the face of this evidence?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. I assume from that that you have no comment to make, because any comment you might make, you think, might tend to incriminate you. Am I correct in that?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

Senator KENNEDY. Mr. Snyder, I would like to ask you and then perhaps counsel a couple of questions.

As I understand this, Mr. Snyder was transferred from UAW Local 250 down to 362 in order to vote in the election between Lacey and O'Rourke; is that correct?

(At this point the chairman withdrew from the hearing room.)

Mr. KENNEDY. In the original transfer, he became a charter member of 258, but he did not actually vote in the election. He was a charter member. He was one of those who requested that a charter be granted to local 258, but he did not actually vote in that election.

Senator KENNEDY. But the local voted?

Mr. KENNEDY. Yes.

Senator KENNEDY. What was his position?

Mr. KENNEDY. Just a charter member.

Senator KENNEDY. How many charter members were there?

Mr. KENNEDY. Seven.

Senator KENNEDY. And they had seven votes?

Mr. KENNEDY. Yes.

Senator KENNEDY. Then what happened?

Mr. KENNEDY. Then this Mr. Snyder continued on as head or president of Local 250 of UAW-AFL.

Senator KENNEDY. And he was a charter member at that time of the teamster paper local?

Mr. KENNEDY. Right. Two-fifty-eight continued until the middle of 1956 with no members. Then in 1956, some members were transferred over from local 250.

No, some members were transferred to 258 from 649.

Senator KENNEDY. Right.

Mr. KENNEDY. Then we continue until March of 1957.

Senator KENNEDY. I understand in March 1957, that as a result of the ethical practices report put out by the AFL-CIO, that Mr. Snyder and others were let out of the UAW locals, and that they then moved over to the teamsters; is that correct?

Mr. KENNEDY. Yes. As far as George Snyder was concerned, he was president, as I say, of Local 250 of the UAW, and remained at that. When the charter was lifted in February or March—

Senator KENNEDY. Who lifted the charter?

Mr. KENNEDY. The international board of the AFL-CIO, as a result of the pressures put on them by the ethical practices committee. One was the situation that existed as far as Incisco, in Chicago, and the second was as far as Johnny Dio's activities in New York City.

Senator KENNEDY. Because of Dio's activities?

Mr. KENNEDY. And the control of these charters.

Senator KENNEDY. They lifted the charter of Local 250 of UAW-AFL?

Mr. KENNEDY. Yes.

Senator KENNEDY. Mr. Snyder, being a charter member, what did he do?

Mr. KENNEDY. He was a charter member of 258 of the teamsters, but he transferred over then and became president of local 362 of the teamsters. He moved his shops over to local 250. From local 250, the shops he had there, he moved them over to local 362 of the teamsters.

Senator KENNEDY. Was there an election of the shops moved by the UAW-AFL? When their charter was revoked by the UAW-AFL, for malpractice, did the members of the local vote as to what action they would take?

Mr. KENNEDY. No. We have no information that they did.

In fact, we have information that even prior to this, Mr. Snyder had a friend by the name of Murray Silverstein, and Murray Silverstein wanted to start out in the labor movement union. He got a charter, local 55, from the Jewelry Workers Union. He had a conversation with George Snyder and George Snyder then had a number of different shops. So he said, "Well, I will give you some of my shops."

He transferred over a toilet-seat reconditioner, Christmas candy, and a drapery maker.

Senator KENNEDY. When you say shops, do you mean union members?

Mr. KENNEDY. Yes.

Senator KENNEDY. I would like to ask him whether there was an election as a result of that transfer.

Did they chose to move, these three, into Mr. Silverstein's Jewelry Workers Union?

Mr. SNYDER. Sir; I decline to answer on the grounds it may tend to incriminate me.

(At this point, the chairman entered the hearing room.)

Senator KENNEDY. In March 1957, Mr. Snyder's charter at 250 is lifted. He then transfers his union members, as I understand, without an election.

Was there an election then on the transfer from the UAW to the teamsters?

Mr. SNYDER. I decline to answer on the grounds that it may tend to incriminate me.

Senator KENNEDY. He then transferred them to Teamster Local 362, and became president of that.

Was there an election in March of 1957 when you moved and became a president in a teamster local?

Mr. SNYDER. Sir, I decline to answer on the grounds that it may tend to incriminate me.

Senator KENNEDY. I would like to ask how it was if you were completely unacceptable to the UAW-AFL because of your tie-up with Johnny Dio, why you were acceptable to the teamsters in New York, as president?

Mr. SNYDER. Sir, I decline to answer on the grounds that it may tend to incriminate me.

Senator KENNEDY. If you are completely unsatisfactory as a trade union leader to represent your people, why is it you are satisfactory as president of an important local in New York, with all the power that gives you?

Mr. SNYDER. I decline to answer on the grounds that it may tend to incriminate me.

Senator KENNEDY. I would like to ask what Mr. Snyder's salary is from his shop.

What is your salary? What do your union members pay you in salary?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. According to the information that we have, as president of Local 250 of the UAW-AFL, he received \$250 in salary per week, expenses of \$65, for a total of \$315, a week, or about \$16,000 a year, plus a new car, which he has, an Oldsmobile, and free gasoline.

In an examination of some of the checks, and I don't believe we had all of them, in 1956, out of local 250 we found \$18,239.36 going to Mr. Snyder in that year.

Senator KENNEDY. Now he is getting this salary as president of this teamster local?

Mr. KENNEDY. We knew as president of local 250 he was getting this.

Senator KENNEDY. What is your salary now as president of the teamster local?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

Senator KENNEDY. It is the same shops. Is it reasonable to assume that it is about the same salary?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. How much do you take out of the union besides salary and expenses?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

Senator KENNEDY. Who signed your papers?

I will ask the counsel, who signed his papers when he transferred over from the UAW? The first charter, I understand, was the so-called paper 1 in March 1956, issued by Mr. Einar Mohn, here in Washington.

Mr. KENNEDY. What happened, Senator, as far as the transfer, was that they just scraped off the No. 250 on the door and wrote up 362 and he became president of the teamsters local. He was president of the UAW-AFL Local 250, and he scraped the number off the door, wrote 362, and became president of the teamsters. That is in the early part of this year.

Senator KENNEDY. And, as I understand it, without an election by the members?

Mr. KENNEDY. That is correct. The members didn't even know they were transferred over. I am not sure all of them know yet, unless they have been informed that their dues are to be paid to 362.

Senator KENNEDY. As I understand, the only man that can remove Mr. Snyder from his office is Mr. Dave Beck?

Mr. KENNEDY. The only one that can initiate the action would be the international president of the union. He can suspend him and he then has a hearing. There is some mechanism set up for a hearing, but the action must be initiated by Mr. Dave Beck.

Senator KENNEDY. As I understand, the ethical practices committee has the binding policy of the AFL-CIO, that any member of their union, any officer of the local, who feels obliged to protect himself and take the fifth amendment, should not continue as an officer of the union and should resign.

Do you plan to resign?

Mr. SNYDER. Sir, I decline to answer on the grounds it might tend to incriminate me.

Senator KENNEDY. I think this is a test case of the good faith of the teamsters. I hope this committee will keep in touch with what is done by Mr. Snyder remaining as an officer of the teamsters in New York.

I would think if he would continue to remain there, and his resignation was not asked for and accepted immediately it would be an indication of bad faith by them. I hope they go ahead and ask for your resignation and accept it, Mr. Snyder.

The CHAIRMAN. Would that not also apply to Mr. Easton?

Senator KENNEDY. It would, if he takes the fifth amendment. That is against the policy of the AFL-CIO.

Senator GOLDWATER. I have a question I wish to direct more to counsel, because I don't think we can get much out of the witness on it.

When this paper local existed, local 250—

Mr. KENNEDY. That is the UAW-AFL.

Senator GOLDWATER. That is what I am getting at. Under UAW-AFL 250, what trades were represented in that union?

Mr. KENNEDY. That was not one of the paper locals.

Senator GOLDWATER. I am wrong on that.

In local 250, they had: Dog food maker, ball point pens, optical company, printer, notebook manufacturer, crucifix plater, brass works, mattress maker, screw machine manufacturer, ball bearing company, toilet seat reconditioner, draperies maker, dry cleaner, coffee roaster, and aircraft parts manufacturer.

When it went over to the Teamsters Union 362, did these same trades just transfer over by the changing of the number on the door?

Mr. KENNEDY. That is correct, except the toilet seat reconditioner and the Christmas candy. Mr. Snyder had already given to Murray Silverstein of local 55 of the jewelry workers. He also gave them the draperymaker, but the draperymaker refused to go, as I understand it.

Senator GOLDWATER. Mr. Chairman, I think this brings up a rather interesting point in our investigation, that we will probably have to remember when we begin to write suggestions for legislation. In my own mind, I do not believe that a teamster union should be allowed to encompass 10, 12, or 15 different trades, none of them related to the teamster movement. In other words, we are going to possibly have to consider legislation, where a union is designated as a teamster union that they confine their organizational activities to the transportation field. I want to get that into the record here. It has been

developing over the past few days that the teamsters cover everything. I am not surprised day by day to find every trade in the teamster business. In fact, I do not think so far we have discovered any transportation organization under the so-called teamster union.

I wanted, Mr. Chairman, to bring that out, so that the staff can be considering that as we go along. When the time comes to prepare legislation, we can consider the advisability of confining the organization fields of the union to the specific areas that they designate by the title.

The CHAIRMAN. The Chair agrees with what Senator Goldwater has said.

The most tragic aspect of this is that these poor working people who pay their dues, have to pay to make a living, in many instances, are simply pawns in the hands of unscrupulous characters who head their labor organization. That is the pitiful thing about it. They are probably helpless. I think we have to pass some legislation to protect them and, in some instances, to liberate them from this vise of evil that now grips them.

Proceed.

Are there any other questions?

Senator KENNEDY. I would like to ask you if you received any money from Mr. Silverstein for giving him three shops.

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

Senator KENNEDY. On the question of the jurisdiction of the teamsters, the question raised by Senator Goldwater, the constitution, after giving the list of all of the garage workers, warehousemen, stockroom and shipping room employees, et cetera, which indicates a rather wide jurisdiction, the last clause states "and other workers where the security of the bargaining position of the above classifications requires the organization of such other workers," which would indicate that they regard their jurisdiction as almost unlimited.

Senator GOLDWATER. Senator Kennedy, would you consider a crucifix plater a threat to the organizational ability or jurisdictional rights of the teamsters?

Senator KENNEDY. No; I would not, but evidently they interpret that language to do so. Obviously, they interpret it extremely generously.

The CHAIRMAN. The Chair hands the witness a photostatic copy of another application for a charter, dated November 8, 1955, the application for charter 258. It bears the name of George Snyder. It is in the jurisdiction for warehouse and processing organizations.

The Chair presents this to the witness and asks him to examine it and state if he identifies it.

(Document handed to witness.)

(The witness conferred with his counsel.)

Mr. SNYDER. Sir, I have examined the document and I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. The document will be made exhibit 47.

(The document referred to was marked "Exhibit 47," for reference and will be found in the appendix on p. 4445.)

The CHAIRMAN. Your name appears on that document. Do you want to give any explanation of it?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Is there any legitimate question you would answer about your associations and your connections with the labor movement?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. We must assume, then, there are no questions that you would answer?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Do you feel any sense of obligation or moral responsibility to these people whose dues pay your salary for representing them in a labor union?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

(At this point, Senator Goldwater withdrew from the hearing room.)

The CHAIRMAN. Are we to assume from that answer that you have no scruples whatsoever?

Mr. SNYDER. Sir, I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Are there any other questions?

You will remain under the same subpoena subject to being recalled when the committee may desire further testimony from you.

Do you acknowledge that recognition?

Mr. ELTMAN. Yes; we do.

The CHAIRMAN. Upon reasonable notice you will be required to be present.

Stand aside.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. In reference to the previous witness, Mr. Frank Easton, I would like to ask the staff, for the purpose of the record, whether or not a charter was issued in response to what purports to be an application for a charter, which is committee exhibit 38.

Mr. KENNEDY. Yes; it was issued.

Senator CURTIS. Who was it issued by?

Mr. KENNEDY. It was issued by Mr. Anthony Doria, of the international, through Mr. Johnny Dio in New York City.

Senator CURTIS. What international?

Mr. KENNEDY. The international of the UAW-AFL, whose headquarters was at that time in Milwaukee, Wis., and whose headquarters now is in Los Angeles, Calif., with the name of Allied Industrial Workers of America.

Senator CURTIS. Who was Anthony Doria?

Mr. KENNEDY. Secretary-treasurer at that time.

Senator CURTIS. Does a secretary-treasurer have authority to issue the charter?

Mr. KENNEDY. According to the documents that we have, Mr. Anthony Doria handled the matters in New York City. The charters were handled through him and through Mr. Dio.

Senator CURTIS. Do you happen to know who signed the charter?

Mr. KENNEDY. Both the international president, who is now Earl Heaton, and Mr. Anthony Doria, secretary-treasurer.

Senator CURTIS. Are those men the present officers?

Mr. KENNEDY. No. Anthony Doria resigned in February or March of this year, again because of pressure brought on him and brought on the union by the AFL-CIO.

At that time, however, when he resigned, he was promised \$80,000 to leave the union. That is No. 1.

Mr. Earl Heaton has announced in the last 24 hours or 36 hours—they are having their election in this union at the present time—he has announced he is not going to run.

Senator CURTIS. Mr. Chairman, I will not take further time. My purpose in eliciting this information is that according to exhibit 38, what purports to be an official application for charter affiliation under the jurisdiction of the International Union of the United Automobile Workers of America, affiliated with the AFL, that that application is neither dated nor is it signed by anyone. The charters involving the rights of workers are being issued on pieces of paper that are neither signed nor dated by anyone.

The CHAIRMAN. That is apparent from the document itself.

Call the next witness.

Mr. KENNEDY. Mr. Chairman, yesterday we had some testimony out of order by Mr. Harold Krieger, a lawyer and a judge from New Jersey, who testified about his connection with Local 355 of the UAW, and how Mr. Tolkow and a Mr. Mas had come to him to request a charter, and that he, in turn, got in touch with Johnny Dio and the charter was granted.

Today we will have a number of witnesses involving that charter, Local 355. The first witness is Mr. Frank Lloyd, a member of the staff.

The CHAIRMAN. Come forward, Mr. Lloyd.

(Present at this point were Senators McClellan, Kennedy, and Curtis.)

The CHAIRMAN. Will you be sworn, please?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. LLOYD. I do.

TESTIMONY OF FRANK C. LLOYD

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. LLOYD. Francis C. Lloyd; I am an investigator with the General Accounting Office, assigned to the committee.

The CHAIRMAN. You are presently employed by the General Accounting Office?

Mr. LLOYD. That is right, sir.

The CHAIRMAN. And you are on special assignment to assist this committee?

Mr. LLOYD. That is correct.

The CHAIRMAN. How long have you been on such assignment?

Mr. LLOYD. Since November of last year.

The CHAIRMAN. What is your position with the General Accounting Office?

Mr. LLOYD. I am an investigator, sir.

The CHAIRMAN. You are an investigator for the General Accounting Office?

Mr. LLOYD. Yes, sir.

The CHAIRMAN. How long have you been in that position?

Mr. LLOYD. Seventeen years.

The CHAIRMAN. Mr. Counsel, you may proceed.

Mr. KENNEDY. Mr. Chairman, as I said yesterday, we had the testimony that Mr. Mas and Mr. Tolkow came to see Mr. Harold Krieger in New Jersey to get a charter for this UAW local in New York City.

At that time, Mr. Krieger said he got the charter for them through Johnny Dio and then he represented local 355 for several months afterward. He also testified that he did not get paid for any of the work that he did.

He was asked if he put any money into this local or knew anyone who loaned any money to the local to sponsor it, and he said he did not.

I would like to ask Mr. Frank Lloyd if he has made an examination of the books and bank accounts of local 355, certain of the books and records.

Mr. LLOYD. Yes, sir; we did, Mr. Kennedy.

Mr. KENNEDY. Did you find that this local 355, which received its charter in December of 1953 had a considerable amount of money that was loaned to it in its early period of time?

Mr. LLOYD. Yes, sir; we did.

Mr. KENNEDY. Would you tell the committee what you found as far as that was concerned?

Mr. LLOYD. Yes, sir. In our examination of the records, we found that from January 4 to November 19, 1954, the local recorded on their books \$12,850 in loans. There was no source of these loans indicated.

In other words, the individual from whom they were received. They were still owing as of December 31, 1956, which was the end of our audit.

I asked Mr. Tolkow if he could give me the identification of the individuals from whom he received this money and he was reluctant to do so.

Mr. KENNEDY. That was loans made from January 4, 1954, to November 19, 1954, and the total as listed on the books was \$12,850, and there was no information as to where the money had come from?

Mr. LLOYD. No, sir.

Mr. KENNEDY. Could you tell the committee how that money was loaned, in what form? Did they receive checks, or what?

Mr. LLOYD. Well, we followed through, sir, and we found that, if I may look at my notes, that there was \$12,100 deposited in the Manufacturers Trust Co., in cash. We examined the deposit tickets and \$750 was deposited in cash in the Chemical Corn Exchange Bank.

Mr. KENNEDY. Do you have a schedule of those cash loans to the union?

Mr. LLOYD. Yes, sir; I do.

The CHAIRMAN. I hand you here a document which purports to be a schedule of those loans about which you have testified. Will you examine it and state if it is correct?

(A document was handed to the witness.)

Mr. LLOYD. That is correct, sir.

The CHAIRMAN. That is correct?

Mr. LLOYD. Yes.

The CHAIRMAN. That may be printed in the record at this point.

(The schedule is as follows:)

Analysis of loans payable account, Allied Industrial Workers, Local 355, L. I. C.

Date	Source	Amount	Remarks
1954			
Jan. 4	Not shown.....	\$350	(1)
11	do.....	150	(1)
29	do.....	500	(1)
	Subtotal.....	1,000	¹ 1,000
Feb. 19	Not shown.....	350	(1)
26	do.....	250	(1)
	Subtotal.....	600	¹ 600
Mar. 4	Not shown.....	250	(1)
5	do.....	250	(1)
17	do.....	250	(1)
25	do.....	250	(1)
	Subtotal.....	1,000	¹ 1,000
Apr. 1	Not shown.....	250	(1)
8	do.....	250	(1)
15	do.....	500	(1)
21	do.....	250	(1)
30	do.....	250	(1)
	Subtotal.....	1,500	¹ 1,500
May 6	Not shown.....	250	(1)
13	do.....	250	(1)
21	do.....	250	(1)
28	do.....	250	(1)
	Subtotal.....	1,000	¹ 1,000
June 4	Not shown.....	500	(1)
21	do.....	500	(1)
	Subtotal.....	1,000	¹ 1,000
July 2	Not shown.....	750	(1)
21	do.....	500	(1)
28	do.....	500	(1)
	Subtotal.....	1,750	¹ 1,750
Aug. 12	Not shown.....	750	(1)
17	do.....	500	(1)
	Subtotal.....	1,250	¹ 1,250
Sept. 16	Not shown.....	750	¹ 750
Oct. 4	do.....	750	(1)
22	do.....	750	(1)
	Subtotal.....	1,500	¹ 1,500
Nov. 5	Not shown.....	750	(1)
	do.....	750	(1)
19	do.....	1,500	¹ 1,500
	Total.....	12,850	¹ 12,850

¹ Cash deposit.

Mr. KENNEDY. I would like to go on to another subject. Did you also make a study of the dues that were paid local 355, particularly by Roto-Broil?

Mr. LLOYD. Yes, sir, we did.

Mr. KENNEDY. The Roto-Broil Co.?

Mr. LLOYD. That is correct.

Mr. KENNEDY. The Roto-Broil Co. has approximately 1,000 employees, is that right?

Mr. LLOYD. That is right, approximately, yes.

Mr. KENNEDY. And they pay dues of \$4 a month per employee?

Mr. LLOYD. Yes.

Mr. KENNEDY. And there is a checkoff system?

Mr. LLOYD. That is right.

Mr. KENNEDY. The dues are taken out of the salaries of the employees, is that right?

Mr. LLOYD. That is right.

Mr. KENNEDY. And those dues are sent into the union?

Mr. LLOYD. That is correct.

Mr. KENNEDY. I would like to have you make a report to the committee as to what you found as far as the dues that were checked off by the Roto-Broil Co. and whether they transferred or transmitted that company to the union local 355.

Mr. LLOYD. Yes, sir. Well, we examined the books of local 355 and we found that as of December 31, 1956, \$22,944.35 was due from J. K. Metals. We also examined the books of J. K. Metals Specialty Corp.

Mr. KENNEDY. Wait a minute. J. K. Metals is one and the same as Roto-Broil, is that right?

Mr. LLOYD. That is right. I believe they are the parent company.

Mr. KENNEDY. Let's refer to it as Roto-Broil.

Mr. LLOYD. All right, sir.

On the books of the local, dues receivable was \$22,944.35 from Roto-Broil.

The CHAIRMAN. You are a little too close to the microphone. \$22,000 what?

Mr. LLOYD. \$22,944.35.

The CHAIRMAN. In other words, the books of the union, as of that date, showed this company owed that much dues?

Mr. LLOYD. That is correct.

The CHAIRMAN. And presumably it had collected that from the members?

Mr. LLOYD. That is right.

Mr. KENNEDY. There is a discrepancy of approximately \$600 as to what the company says they owe and what the union says they owe them, is that right?

Mr. LLOYD. That is right.

Mr. KENNEDY. But it is approximately \$23,000.

Mr. LLOYD. Yes.

Mr. KENNEDY. Dues collected, the dues taken from the employees that worked for Roto-Broil, the amount of money that Roto-Broil took out of the employees' salaries, was \$3,735?

Mr. LLOYD. That is correct.

Mr. KENNEDY. And the amount that they remitted to local 355 was \$1,800, is that right?

Mr. LLOYD. That is correct.

Mr. KENNEDY. So they kept \$1,935 of the dues for themselves?

Mr. LLOYD. That is correct.

Mr. KENNEDY. That is in 1954. In 1955 they collected \$33,316.85, is that right?

Mr. LLOYD. That is correct.

Mr. KENNEDY. And although they collected this \$33,316.85, they only remitted to local 355 \$28,487.90, is that right?

Mr. LLOYD. That is correct.

Mr. KENNEDY. They kept for themselves, \$4,828.95?

Mr. LLOYD. That is correct.

Mr. KENNEDY. In 1956 they collected \$51,748.03?

Mr. LLOYD. Correct, sir.

Mr. KENNEDY. And they only sent over to local 355 \$34,899.70?

Mr. LLOYD. That is right, sir.

Mr. KENNEDY. Keeping for themselves \$16,848.33?

Mr. LLOYD. That is correct, sir.

Mr. KENNEDY. Making a total for that 3-year period of \$23,612.28?

Mr. LLOYD. That is correct.

Mr. KENNEDY. They collected \$88,799.88, right?

Mr. LLOYD. Correct, sir.

Mr. KENNEDY. And they only remitted to local 355 \$65,187.80?

Mr. LLOYD. That is correct, sir.

(At this point, Senator Curtis withdrew from the hearing room.)

The CHAIRMAN. That is according to the books of the company?

Mr. LLOYD. That is correct, Mr. Chairman.

The CHAIRMAN. And the books of the union correspond with respect to showing about an \$800 difference?

Mr. LLOYD. That is correct.

The CHAIRMAN. So in round numbers there was some how many thousand dollars collected from the dues that did not go to the union?

Mr. LLOYD. Approximately \$23,500.

The CHAIRMAN. Did you check on that? Have you any accounting as to why it was not paid to the union?

Mr. LLOYD. No, sir; we haven't, other than the fact—well, I believe I spoke to Mr. Tolkow and asked him why this money was outstanding. I believe he said to me at the time that this Roto-Broil was having financial difficulties, and he did not want to press them for the money.

The CHAIRMAN. He did not want to press them for the money, so they were permitting the company to collect dues from its members and use those dues for its private purposes?

Mr. LLOYD. That is correct, sir.

The CHAIRMAN. And the officers of the union knew about it and were consenting to it?

Mr. LLOYD. I believe so, sir.

The CHAIRMAN. Well, I mean, you talked to the officers of the union and they explained that they were permitting them to handle the money, to keep the money because they were having financial difficulties?

Mr. LLOYD. That is correct, sir.

The CHAIRMAN. There might have been a little collusion there; would you say?

Mr. LLOYD. There is a possibility, sir.

The CHAIRMAN. Proceed.

Senator KENNEDY. Is there any report made to the union membership to ask them for their consent that the company receive those funds?

Mr. LLOYD. I don't know that, Senator Kennedy.

Senator KENNEDY. Have you had any record of it?

Mr. LLOYD. No, sir.

Senator KENNEDY. You have no report that such a request was ever made to the union members?

Mr. LLOYD. No, sir; I haven't.

Senator KENNEDY. And you found no such record of any request?

Mr. LLOYD. No, sir; I did not.

Senator KENNEDY. Do you know what the company did as far as how it kept its books as far as this extra \$23,000 which it owed to the union? Did it put it on its books as a deduction or as a transfer of funds or on its books did they record that it held back \$23,000?

Mr. LLOYD. Well, Senator Kennedy, they received a copy of the checkoff list from Roto-Broil and, of course, from that checkoff list, I believe that is their control.

In other words, the dues that they received from Roto-Broil are checked off against that checkoff list.

Senator KENNEDY. What I am wondering now is about Roto-Broil. How do they keep these funds in their books? Do they indicate they were holding back \$23,000?

Mr. LLOYD. Yes.

Senator KENNEDY. What sort of a category did they have it under?

Mr. LLOYD. I think they have it as dues account.

Senator KENNEDY. Dues account?

Mr. LLOYD. Yes, sir.

Senator KENNEDY. In other words, there was an obligation on it to the union members?

Mr. LLOYD. Yes, sir.

Senator KENNEDY. Were they holding it in a fund or had it been disbursed for the other expenses?

Mr. LLOYD. I don't believe it was kept separately, in other words, as such.

Senator KENNEDY. In other words, it was used but they kept it on their books as a future obligation?

Mr. LLOYD. That is correct, sir. It was an account payable to the union.

Senator KENNEDY. Over a period beginning in 1954, was there any indication that they were making—after all, in the last year they held back a rather large sum—was there any indication that they were making any payments or did they have a schedule of payments to liquidate this \$23,000?

Mr. LLOYD. No, sir, I didn't see any.

Senator KENNEDY. In other words, we have a case of a company holding back money, which the employees pay as union dues, the company using it for their own purposes and union officials agreeing to it without any evidence that they made any reports that such a situation existed to the union members, is that the situation?

Mr. LLOYD. I believe so.

The CHAIRMAN. You may have already stated this, but who are the officers of this union?

Mr. LLOYD. I believe Bernard Tolkow was the business representative. I believe it is in the record, Senator. I don't have it just handy. I believe Al Benny Mas was the former president of it. I believe Murray Flatow is the president——

The CHAIRMAN. That is probably already in the record. I thought maybe you could testify from your contacts with them.

Senator Mundt?

Senator MUNDT. Did you examine the financial statement of Roto-Broil carefully enough to verify whether or not they were making money or losing money?

Mr. LLOYD. No, sir, Senator Mundt, we did not examine Roto-Broil's statement. Our primary function, Senator, was to more or less confirm the outstanding figure against Roto-Broil. In other words, other than that we did not——

Senator MUNDT. Having confirmed the figure and having had the explanation from the union officials that the company was in financial straits, I am wondering whether you examined the financial structure of the company to determine whether or not in fact they were in financial straits, or whether perhaps they were disbursing these funds to their stockholders and their officers as benefiting to them rather than to the members.

Mr. LLOYD. No, Senator, we did not. We did not examine the financial statement.

Senator MUNDT. I think counsel should pursue that, to determine whether or not the company resulted in making money or losing money and what happened from this discrepancy.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. We are having the employer come in, Senator.

Senator MUNDT. Thank you.

The CHAIRMAN. Do you have anything further of this witness?

Mr. KENNEDY. No.

The CHAIRMAN. Thank you. You may stand aside.

Do you want to call another witness before lunch?

Mr. KENNEDY. Yes; the employer, Irving Jacobson of the Roto-Broil Co. and following him we will have Mr. Tolkow, of the union.

(Present at this point were Senators McClellan, Kennedy, and Mundt.)

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. JACOBSON. I do.

TESTIMONY OF IRVING JACOBSON, ACCOMPANIED BY HIS COUNSEL, BENJAMIN MANDELKER

The CHAIRMAN. Will you state your name, your place of residence, and business or occupation?

Mr. JACOBSON. My name is Irving Jacobson. I reside at 900 West 190th Street; I am executive vice president of Roto-Broil Corporation of America.

The CHAIRMAN. How long have you been president of that company?

Mr. JACOBSON. Since 1951.

The CHAIRMAN. 1951. You have counsel present with you, Mr. Jacobson?

Mr. JACOBSON. Yes, sir.

The CHAIRMAN. Counsel, will you identify yourself for the record, please?

Mr. MANDELKER. Benjamin Mandelker, 37 Wall Street, New York, N. Y.

The CHAIRMAN. Mr. Counsel, you may proceed.

Mr. KENNEDY. You have been in the Roto-Broil Co. That Roto-Broil Co. is made up of about 5 or 6 companies; is that right?

Mr. JACOBSON. Yes, sir.

Mr. KENNEDY. And you have had that business for how many years?

Mr. JACOBSON. Roto-Broil has been in business since about 1951.

Mr. KENNEDY. Who are the officers of Roto-Broil?

Mr. JACOBSON. Albert Klinghoffer.

Mr. KENNEDY. Albert Klinghoffer? How do you spell his name?

Mr. JACOBSON. K-l-i-n-g-h-o-f-f-e-r. His brother, Leon Klinghoffer, and myself, Irving Jacobson.

Mr. KENNEDY. What is the gross business of Roto-Broil and its subsidiaries or its connecting companies, per year?

Mr. JACOBSON. Well, it has been fluctuating. From the start of our business up until the last year, I imagine, approximately, we had done \$10 million.

Mr. KENNEDY. About \$10 million?

Mr. JACOBSON. About \$10 million, approximately.

The CHAIRMAN. By that you do not mean annually, but you mean——

Mr. JACOBSON. No, I mean for the year 1956. The last year we done \$10 million. Probably in the first year in business we might have done a million dollars and gradually increase it.

The CHAIRMAN. I did not quite understand it. The \$10 million applies to the year 1956?

Mr. JACOBSON. 1956, approximately.

The CHAIRMAN. Was that your largest year?

Mr. JACOBSON. Yes, sir.

The CHAIRMAN. And in the other 5 years it may have been, and was probably less?

Mr. JACOBSON. Yes, sir.

Mr. KENNEDY. Going back to when you started, you say Roto-Broil started in about 1951?

Mr. JACOBSON. 1951.

Mr. KENNEDY. What were you doing prior to 1951?

Mr. JACOBSON. We had a manufacturing business. We were manufacturing wiring devices, electrical wiring devices.

Mr. KENNEDY. Wiring devices?

Mr. JACOBSON. Wiring devices.

Mr. KENNEDY. The three of you were in that business?

Mr. JACOBSON. We were in that business.

Mr. KENNEDY. How many employees did you have in that business?

Mr. JACOBSON. At one time, I imagine we probably had approximately 100 workers.

Mr. KENNEDY. And how many employers did you have at the time you transferred over to start Roto-Broil?

Mr. JACOBSON. At that time, I think it went down to about 25.

Mr. KENNEDY. Business was not quite as good then?

Mr. JACOBSON. Well, it wasn't quite as good, and we had intentions at that time to diversify our line.

Mr. KENNEDY. So you had about 25 employees that you transferred over to Roto-Broil?

Mr. JACOBSON. That is right.

Mr. KENNEDY. Where did the money come from to finance Roto-Broil?

Mr. JACOBSON. Well, we had an arrangement with Factors & Co. to assist us in a financial situation. They would advance us money on the accounts receivable, or else if we had any equipment in the plant they would advance us money on a chattel mortgage. In that way, we were able to go ahead and operate with additional capital.

Mr. KENNEDY. What are the outstanding loans at this time?

Mr. JACOBSON. Outstanding loans?

Mr. KENNEDY. What are your loans? How much are your accounts receivable?

Mr. JACOBSON. I imagine our outstanding loans, and various, between one and the other, may accumulate over a couple million dollars.

Mr. KENNEDY. You built a building, did you, constructed it?

Mr. JACOBSON. No; we bought a building.

Mr. KENNEDY. Did you borrow money to do that?

Mr. JACOBSON. Yes, we did.

Mr. KENNEDY. Where did you borrow that money?

Mr. JACOBSON. Well, we financed it through a first mortgage, a second mortgage, and also with financial assistance from the factoring company.

Mr. KENNEDY. Who was that?

Mr. JACOBSON. It is A. J. Armstrong, of New York, and also we had borrowed money on our equipment from the Sterling Factors in New York.

Mr. KENNEDY. And you have a first mortgage?

Mr. JACOBSON. We have a first mortgage.

Mr. KENNEDY. How much is that first mortgage?

Mr. JACOBSON. The first mortgage is, I think, approximately \$1,800,000.

Mr. KENNEDY. Who has that?

Mr. JACOBSON. I think it is the Columbia University, New York.

Mr. KENNEDY. Columbia University has that?

Mr. JACOBSON. Yes.

Mr. KENNEDY. When local 355 started organizing in your plant, could you tell us approximately the date that that occurred?

Mr. JACOBSON. They contacted me about 6 months previous to the expiration of the contract, and told me that they were interested in organizing the shop.

Mr. KENNEDY. When would that have been?

Mr. JACOBSON. That was in—the contract expired, I think it was, October 1954.

Mr. KENNEDY. Did you have a contract with another union at that time?

Mr. JACOBSON. We had a contract with another union.

Mr. KENNEDY. What union was that?

Mr. JACOBSON. That was local 377 of the warehouse something. I forget now.

Do you have that?

Mr. MANDELKER. That was the RWDSU, the Retail and Wholesale Department Store Union.

The CHAIRMAN. You may advise him of that.

Mr. JACOBSON. It was 377 of the Retail, Wholesale and Department Store Union.

Mr. KENNEDY. They contacted you, then, 355 contacted you, then, in approximately May, April, or May?

Mr. JACOBSON. I think it was about March.

Mr. KENNEDY. March of 1954?

Mr. JACOBSON. 1954.

Mr. KENNEDY. Had they been active in your plant prior to that time?

Mr. JACOBSON. No. No, sir.

Mr. KENNEDY. Are you sure of that?

Mr. JACOBSON. Yes, sir.

Mr. KENNEDY. Mr. Harold Krieger testified yesterday that when Mr. Tolkow and Mr. Mas came over to see him in Jersey, in 1953, that they already had 200 of your employees signed up. Is that possible?

Mr. JACOBSON. I think that was probably 1954.

Mr. KENNEDY. No. The charter was granted, I believe, December 31, 1953, and he was consulted prior to the time the charter was granted. He said at that time the reason he was interested in it was because they already had 200 of your employees signed up.

Mr. JACOBSON. Well, I can't exactly say for 1953. To my knowledge, I think it was 1954.

Mr. KENNEDY. But the first time that they ever became interested in your employees, you say, was March of 1954?

Mr. JACOBSON. That is correct.

Mr. KENNEDY. Was there any money from Roto-Broil or from yourself loaned to 355?

Mr. JACOBSON. No, sir.

Mr. KENNEDY. It was not?

Mr. JACOBSON. No, sir.

Mr. KENNEDY. Did you loan any money to local 355?

Mr. JACOBSON. No.

Mr. KENNEDY. Do you know anybody that loaned any money to 355?

Mr. JACOBSON. I do not.

Mr. KENNEDY. Do you know anybody that gave money to local 355?

Mr. JACOBSON. No, sir.

Mr. KENNEDY. Did you ever give any money to Mr. Tolkow?

Mr. JACOBSON. No, sir.

Mr. KENNEDY. Do you know anybody that gave money to Tolkow?

Mr. JACOBSON. I do not.

Mr. KENNEDY. Does Mr. Harold Krieger have any interest in Roto-Broil?

Mr. JACOBSON. No, sir.

Mr. KENNEDY. None at all?

Mr. JACOBSON. None at all.

Mr. KENNEDY. Direct or indirect?

Mr. JACOBSON. No, sir.

Mr. KENNEDY. Other than the 3 of you, the 2 Klinghoffer brothers and yourself, and the loans that you have made to the Factoring—what is the Factoring Co.?

Mr. JACOBSON. A. J. Armstrong.

Mr. KENNEDY. And the mortgage that exists with Columbia University, are there any other loans that you have?

Mr. JACOBSON. We have a secured loan for the first mortgage and a secured loan for the second mortgage. At that time, I think we got the second mortgage from the original owners of the property, which was the Swip Co. I think it was the Olin Mathieson Co. that owned the Swip Co. We got a second mortgage from them.

Mr. KENNEDY. Other than that, there have not been any other loans?

Mr. JACOBSON. Outside of the Armstrong Co. and Sterling Factors.

Mr. KENNEDY. And no individuals have an interest in your company outside of the three individuals you mentioned?

Mr. JACOBSON. That is correct.

Mr. KENNEDY. We have had some testimony regarding the fact that there have been checkoffs of dues for the years of 1954, 1955, and 1956, but all of the money that has been checked off has not been remitted to local 355. Is that correct? that testimony?

Mr. JACOBSON. That may be, according to your books. If our books show it, that is correct.

Mr. KENNEDY. That totals about \$23,000.

Mr. JACOBSON. If the books show it, that is correct.

Mr. KENNEDY. Did you have conferences with Mr. Tolkow giving you permission to check off the dues and not remit them to local 355?

Mr. JACOBSON. I told Mr. Tolkow at the time, when he asked for the dues, that the company had financial difficulties and that we had problems meeting our obligations.

Mr. KENNEDY. This starts back in 1954.

Senator MUNDT. Mr. Jacobson, you said in 1956 you did a \$10 million gross business?

Mr. JACOBSON. I said approximately \$10 million; yes, sir.

Senator MUNDT. In your company income-tax returns for that year, did you report a profit or a loss?

Mr. JACOBSON. From what I think, we did not report a profit. We had shown a loss.

Senator MUNDT. You showed a loss in 1956?

Mr. JACOBSON. 1956.

Senator MUNDT. How about your income tax for 1955?

Mr. JACOBSON. There might have been a very small profit.

Senator MUNDT. Very small?

Mr. JACOBSON. Yes.

Senator MUNDT. How about 1954?

Mr. JACOBSON. 1954 showed a little profit.

Senator MUNDT. How much, roughly?

Mr. JACOBSON. I don't remember.

Senator MUNDT. Small?

Mr. JACOBSON. A small profit.

Senator MUNDT. A small profit.

You had a profit in 1954 and 1955. Why were you not able to remit to the union the dues that they claimed that you owed them?

Mr. JACOBSON. Well, if I remember correctly, the biggest part of the money that was due the union came in 1956, and that money that was due the union was just an accumulation of 3 months' dues. It might have been approximately whatever the books showed, but it was only the question of 3 months' dues. You must remember, Senator, that we employ over 1,000 people, that the dues amounted to maybe \$1,000 a week, that it wouldn't take very long to get into a \$15,000 obligation.

Senator MUNDT. I can understand that.

What I am trying to get at is this: Is it your testimony that your remittances to the union were up to date and current until the year 1956?

Mr. JACOBSON. The biggest part of it was in 1956.

Senator MUNDT. Were there some outstanding dues in 1955?

Mr. JACOBSON. That I don't remember.

Senator MUNDT. Your testimony was that you made a profit, a small profit.

Mr. JACOBSON. A very small profit. But, of course, in expanding our business, whatever profit we did make we expanded our business with.

Senator MUNDT. And Mr. Tolkow was agreeable to using that dues money and expanding the business; was he?

Mr. JACOBSON. I wouldn't say he was agreeable, but it was done.

Senator MUNDT. He had no choice?

Mr. JACOBSON. We had no choice.

Senator MUNDT. What is your total amount of obligation to the union at this time?

Mr. JACOBSON. Whatever the books show, Senator. I don't know.

Senator MUNDT. You would not deny the figures that you heard this morning?

Mr. JACOBSON. It may be if the books showed that, I would go along with those figures.

The CHAIRMAN. Senator Kennedy.

Senator KENNEDY. What do you mean if the books show that you would go along with the figures? Do you not know?

Mr. JACOBSON. I wouldn't know, I say—

Senator KENNEDY. If the margin profit is so small, you must know pretty much where all these funds are. Do you know it as well as yourself?

Mr. JACOBSON. No, I don't know for the exact figures. I have the books to show it, and if they show it, that is it.

Senator KENNEDY. But you have known that that is the obligation to you that you have been holding back some of these funds.

Mr. JACOBSON. Yes; I would go along with those books.

Senator KENNEDY. But I mean you know that that is the obligation.

Mr. JACOBSON. Yes, sir.

Senator KENNEDY. As I understand, you had an obligation with Mr. Tolkow that you would do this—that is that?

Mr. JACOBSON. I had no agreement with Mr. Tolkow to do it. My company was in financial difficulties. We had no alternative.

Senator KENNEDY. What do you mean you had no alternative?

Mr. JACOBSON. The money wasn't there to pay it.

Senator KENNEDY. Where did the money come from?

Mr. JACOBSON. We had problems to meet our payroll.

Senator KENNEDY. If it came from the union dues, it was not your money. You were merely the clearinghouse. You had no right to it in any way.

Mr. JACOBSON. It came from the union dues. But we did not exactly take it. In other words, instead of a man getting \$50 a week, which we had to give him, we paid him \$49. We didn't take that dollar from the individual. We just gave him \$1 less.

Senator KENNEDY. That is not what you did at all. That may have been the effect of it, but you did not cut his salary. You did not go to the union members and say, "Because we are in financial difficulties, we will pay you a dollar a week less." Instead, you took the money out of the union dues without telling them; is that not the fact?

Mr. JACOBSON. Without telling them, but they probable had knowledge of it.

Senator KENNEDY. Without telling them?

Mr. JACOBSON. That is right.

Senator KENNEDY. In other words, you took the money which they thought was going to the union and, under the law, you are permitted to be the clearinghouse of this money, the intermediary, but by no means by the imagination or by law do you have title to the money. This is money belonging to the union.

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Senator KENNEDY. Let us go into the financial difficulties. How much money did you make last year, personally, from the company, either in salary, dividends or in any way?

Mr. JACOBSON. How much I personally made, how much I drew out of the company?

Senator KENNEDY. Yes.

Mr. JACOBSON. Approximately \$15,000.

Senator KENNEDY. Did you get any expenses?

Mr. JACOBSON. \$15,000 is what I drew personally for myself.

Senator KENNEDY. Total?

Mr. JACOBSON. Yes.

Senator KENNEDY. Did you get anything in salary?

Mr. JACOBSON. That is the total amount.

Senator KENNEDY. That is the total amount that you reported on your income tax from this company?

Mr. JACOBSON. That is right.

Senator KENNEDY. You got no expenses beyond the \$15,000?

Mr. JACOBSON. There were some expenses that the corporation paid, whatever was involved.

Senator KENNEDY. How much did that involve?

Mr. JACOBSON. I don't know.

Senator KENNEDY. You must remember what the corporation paid in the way of your expenses.

Mr. JACOBSON. I don't remember.

Senator KENNEDY. You do not remember how much money you got last year in the way of expenses?

Mr. JACOBSON. I don't remember.

Senator MUNDT. Did you get any dividends?

Mr. JACOBSON. No, sir.

Senator KENNEDY. I would like to ask the staff on the information they have, without going into it precisely, if it amounted to a good deal more than \$15,000 that this gentleman received in either salary or expenses from his company.

Do you have any other source of income?

Mr. JACOBSON. No, sir.

Senator KENNEDY. So the total amount declared in your income tax would be \$15,000?

Mr. JACOBSON. With additional expenses. Just exactly what it is, I don't remember.

Senator KENNEDY. Could it be double; \$30,000?

Mr. JACOBSON. I don't remember.

Senator KENNEDY. You do not remember what your income was, or income and expense accounts were?

Mr. JACOBSON. As far as expenses were concerned, I just don't remember.

Senator KENNEDY. In other words, they are trivial, maybe \$500 or \$800?

Mr. JACOBSON. I imagine it is more than that.

Senator KENNEDY. Maybe \$5,000 more?

Mr. JACOBSON. Maybe; a possibility.

Senator KENNEDY. Or even more?

Mr. JACOBSON. There was quite a considerable traveling involved.

Senator MUNDT. What was the salary of the Klinghoffer brothers?

Mr. JACOBSON. We all drew the same salaries.

Senator MUNDT. They got \$15,000 apiece, too?

Mr. JACOBSON. Yes; we all drew the same salaries.

Senator KENNEDY. I understand that in—in 1954, you do not know what your salary was in that year, do you?

Mr. JACOBSON. In 1954, I just don't remember.

Senator KENNEDY. Let us say 1955. Your salary was \$15,000 in 1955?

Mr. JACOBSON. In 1955 it might have been a little higher.

Senator KENNEDY. Twenty?

Mr. JACOBSON. It might have been twenty.

Senator KENNEDY. Maybe even higher, with expenses?

Mr. JACOBSON. With expenses; yes.

Senator KENNEDY. That year your company was in such difficulty that you took \$4,828.95 from the employees' funds while at the same time you were taking over \$20,000 in salary for yourself.

Mr. JACOBSON. If the figures show it, Senator, I imagine it is correct.

Senator KENNEDY. Do you think that is proper?

Mr. JACOBSON. Well, in financial difficulties at the time, when it happens, those things will take place.

Senator KENNEDY. You felt that it was all right to take the employees' money, but it does not seem to me that you were making a great sacrifice on your part, because you were getting over \$20,000 of the company while taking over \$4,800 of their funds.

Mr. JACOBSON. If the books show that we have taken that money from them, I imagine that is correct.

Senator KENNEDY. Then the next year it amounted to \$16,000.

The fact of the matter is that you do not have any right at all to take those funds. They are not yours in any way. You are merely a clearinghouse. The Taft-Hartley Act and other laws permit you to enter into an arrangement with the union whereby you deduct a certain amount from their wages and then pay it over to the union. You have no right to it whatsoever.

If the union gave you its consent by a vote, that would be one thing. But there is no evidence that they were even informed of what you did. You had no right to do what you did.

Mr. JACOBSON. Well, we intend to take care of those obligations, of that obligation, and see that the union is paid the money that is owed them.

At the present time, we cannot do it.

Senator KENNEDY. It is getting bigger every year, No. 1, and you did not tell them about it, No. 2.

Mr. JACOBSON. Well, the financial difficulties that the company had were tremendous.

Senator KENNEDY. You said you made a profit in 1954 and 1955. Your business has gone from \$1 million to \$10 million. This year, is it ahead or behind last year?

Mr. JACOBSON. I didn't hear you.

Senator KENNEDY. Is it ahead or behind last year?

Mr. JACOBSON. On what?

Senator KENNEDY. Your business.

Mr. JACOBSON. Yes, the volume is ahead.

Senator KENNEDY. From 1954 to 1957 it has gone up at least 10 times.

Mr. JACOBSON. In 1956, we went through what we call a terrific competitive battle in our own industry, and if you are familiar with the Roto-Broil Rotisseries and items that we manufacture, you will probably find that there were all different prices from time to time because of competitive problems that we encountered. For that main reason, the company lost a lot of money in 1956.

Senator KENNEDY. You may have lost some money, but I don't see taking the union dues in the amount last year of \$16,000, taking that of the union members' money, the employees' money, without even telling them about it, and at the same time you are taking salaries and expenses of over \$25,000, and your partners are doing likewise. It does not seem to me to represent a very sound practice. It is a crime. What you did is a crime in California. Are you aware of that?

Mr. JACOBSON. I am not.

Senator KENNEDY. I think it should be a crime. I do not think the committee has run into this particular practice before. I did not think there was any employer that ever imagined that he had any right to these funds.

If you had gone to the membership and explained to them your financial difficulties and they agreed to it, that is one thing. But when you did not even go to them and you just took the funds, without consent, and at the same time you were getting paid a reasonable salary with your partners, obviously that is against the whole intention of the check-off system.

The CHAIRMAN. Are there any further questions?

Are you prepared now to reimburse this money?

Mr. JACOBSON. Eventually we expect to take care of it.

The CHAIRMAN. I said right now.

Mr. JACOBSON. Right now? No, sir.

(The witness conferred with his counsel.)

Mr. JACOBSON. I think at this time, gentlemen, I should acquaint you with the fact that our Roto-Broil Corporation of America is under reorganization because of financial difficulties.

The CHAIRMAN. So you are not prepared now to reimburse them; is that right?

Mr. JACOBSON. No, sir.

The CHAIRMAN. You are not prepared now to reimburse them?

Mr. JACOBSON. We haven't got the money.

The CHAIRMAN. You only have hopes some day of doing it?

Mr. JACOBSON. Yes, sir.

Senator MUNDT. If the company is being reorganized, does that mean that the union members may lose this \$16,000 or \$25,000 entirely?

Mr. JACOBSON. Senator, they have filed a claim the same as the people that we owe money to, our other creditors; they have filed a claim for whatever money is due them.

Senator MUNDT. In the unhappy event that your company went through bankruptcy, they would get their proportionate amount?

Mr. JACOBSON. From what I understand, they have already come into the picture as a prior claim.

Senator MUNDT. Like a mechanic's lien?

Mr. JACOBSON. Not exactly, but at the time of the meeting they brought out the fact that they were entitled to a prior claim as to the assets of the company.

Senator MUNDT. That would not be something for you to determine, but it would be something for the courts to determine, whether they had a prior claim or not.

Mr. JACOBSON. That is correct.

Senator MUNDT. Do they have anything in the nature of a note, a mortgage, or any documentary proof of the obligation?

Mr. JACOBSON. Whatever is on the books, Senator.

The CHAIRMAN. Is there anything further?

Senator KENNEDY. I would like to ask how much you invested in this company.

Mr. JACOBSON. In the Roto-Broil Co.?

Senator KENNEDY. Yes.

Mr. JACOBSON. There was an investment carried over from the original company of \$20,000, and there was another additional investment of close to approximately \$30,000.

Senator KENNEDY. Those are personal funds? You invested \$50,000 of your personal funds in this company?

Mr. JACOBSON. I invested part of it, and the Klinghoffer Bros. invested the rest.

Senator KENNEDY. The three of you have a total investment in the capital of this company of \$50,000?

Mr. JACOBSON. That is correct.

Senator KENNEDY. Of this company doing a \$10 million business?

Mr. JACOBSON. That is correct.

Senator KENNEDY. And yet at the same time that you have the total of the 3 of you of \$50,000, you have taken for your use to maintain the company \$23,000 of the employee's funds?

Mr. JACOBSON. That is correct.

Senator KENNEDY. Is it not a fact that in 1955 you made more than \$15,000 with the company?

Mr. JACOBSON. I said approximately 15. Is may be a little more.

Senator KENNEDY. Is it not a fact that it was nearly double that?

Mr. JACOBSON. In 1955?

Senator KENNEDY. More than double that?

Mr. JACOBSON. With expenses, do you mean?

Senator KENNEDY. Let us take your wages.

Mr. JACOBSON. It was a little more. But approximately \$15,000.

Senator KENNEDY. And with expenses?

Mr. JACOBSON. I imagine with expenses, it might have gone to maybe 25.

Senator KENNEDY. More than 30,

Mr. JACOBSON. Approximately 25, with expenses.

Senator KENNEDY. Probably nearer 32, is it not?

Mr. JACOBSON. I don't remember.

Senator KENNEDY. I would say it is nearer 32 than 25.

Did your partners get the same salary?

Mr. JACOBSON. Yes, sir.

Senator KENNEDY. Now that you and your two partners got in 1955, salary and expenses of over \$30,000 on a total investment for the 3 of you of \$50,000, you each got it, \$60,000, at that time you felt

that your company was in such difficulty that it must take from the employees \$4,828?

Mr. JACOBSON. Let me point out one thing, Senator, if I may, that because of the fact of reorganization, the court has now directed that the officers of the corporation only draw \$250 a week, and that is what we are drawing.

Senator KENNEDY. What we are talking about is 1955. You and your partners did very well out of the company. You made more out of salaries and expenses than you had invested. If the company went bankrupt today, if you were through, the first and second mortgage people would be taken care of. Would they not come ahead of the employees, as far as their \$23,000? At what point would they get paid off? After the first and second mortgages had been paid off?

Mr. JACOBSON. That is correct.

Senator KENNEDY. So now the company is going through reorganization, and it owes its employees \$23,612, and if it went bankrupt they would receive their funds only after first and second mortgages were paid off?

Mr. JACOBSON. From my understanding, that would be correct Senator.

Senator KENNEDY. In the first place, I am hopeful, as a member of the Labor Committee, that the California law will become a national law, so this will be a crime, what you have done. I am hopeful also that you and your partners will, this year, instead of taking your generous salary and expenses, will begin to whittle down this obligation. I hope that the members insist on it.

Now that the company is in financial distress, perhaps it is impossible to do it. Perhaps their \$23,000 has gone down the drain. It may be too late. But it seems to me that you and your partners have done very well out of this company for \$50,000, having control of a company which has a \$10 million business, as of last year, and at the same time you were making over \$30,000 for the 3 of you, and at the same time you were taking from your employees \$4,800 and said the company was in distress.

Mr. JACOBSON. Well, it was in distress. There is no question about that.

Senator KENNEDY. The employees were in distress. It does not seem to me that you were.

Senator MUNDT. Who filed a claim on behalf of the union?

Mr. JACOBSON. Local 355.

Senator MUNDT. Did Mr. Tolkow sign the complaint?

Mr. JACOBSON. That is right.

Senator MUNDT. When was that filed?

Mr. JACOBSON. At the same time the other creditors filed their claim.

Senator MUNDT. When was that?

Mr. JACOBSON. This must have been—I think it was around May.

Senator MUNDT. Up until the time he formally filed his claim, what representations had Mr. Tolkow made to you to try to get you to make at least a partial restoration of these funds?

Mr. JACOBSON. As I say, this accumulation of dues were dues accumulated over a period of 3 months. Tolkow at the time would remind me of the obligation I owed the union. I reminded him that the

company was in financial difficulties and we were doing the best we possibly could.

Senator MUNDT. Does that conform with our records, Mr. Counsel? I thought there were dues longer outstanding than 3 months.

Mr. KENNEDY. The dues are outstanding over a period of 3 years. That practice has been going on. The total is \$23,612, over the 3 years, which amounts to about 6 months of dues that they owe at the present time.

Senator MUNDT. How do we square that statement?

Mr. JACOBSON. I don't know exactly whether that is the correct amount.

Senator MUNDT. To recapitulate the situation, you told me that these dues had accumulated over a period of the last 3 months, or over a period of 3 months. Counsel has said that this represents a practice which has been going on for 3 years. The total accumulation of dues which you owe the union are accumulations which would require 6 months.

Mr. JACOBSON. There must be some misunderstanding there, Senator. To my knowledge, this accumulation is for a period of 3 months. It is a question as to whether we owe the exact amount of \$22,000 or \$23,000 that is in question.

Mr. KENNEDY. I will tell you. It is 1,000 employees. They pay \$1 a week. That is \$4,000 a month, is that right? \$4,000 a month?

Mr. JACOBSON. Yes; over a 3-month period would be about \$12,000. I imagine, to my knowledge.

Mr. KENNEDY. But you owe \$23,000.

Mr. JACOBSON. That is questionable.

Mr. KENNEDY. Look at it. It is either \$22,000 or \$23,000. It is either 5½ months or 5¾ months.

Mr. JACOBSON. If that is the correct amount, I imagine it would have taken that period of time. But then again, we might have had 1,200 or 1,300 employees. I don't know.

Senator MUNDT. Why, in 1955, when you made a profit, did you not clean up your accounts with the union at that time?

Mr. JACOBSON. I think in 1955 we were pretty clean with the union. I think all of this money that was owned, practically 95 percent of it, came in 1956.

Senator MUNDT. All I know is what they have reported on the books here. It shows that in 1954 you owed the union \$1,935, and you made a profit in 1954, a small profit, you said.

Mr. JACOBSON. There may be some misunderstanding there as to the books and what we actually owed the union. If the books showed we owed that kind of money, I imagine that is what it is.

Senator MUNDT. That is what the books show. In 1955, the books show that you owed the union not the \$1,935, but an accumulated amount of \$4,828.95.

Mr. JACOBSON. Is that at the end of the period of 1955?

Senator MUNDT. That is right.

Mr. JACOBSON. Well, then, it still brings out the fact that in 1956 is when—

Senator MUNDT. In 1955, you made a profit?

Mr. JACOBSON. Yes. Well, if the books show up to 1955 a figure there of \$4,000 or \$5,000, I would as soon go along with those figures.

But also bring out the point that if there is a \$22,000 or \$23,000 question there, the biggest part of it came in 1956.

Senator MUNDT. That is right; but the point I am bringing out is that when you were making the profit, when you were operating at a profit, you were still retaining for the company use, in 1954, \$1,935; in 1955, \$1,828.95; and in 1956, you said you were operating at a loss.

Mr. JACOBSON. Yes.

Senator MUNDT. The funds due were \$16,848.34. If you were operating at a loss, that I can understand. There seemed to be some difficulty in paying the union the money you owed them. But when you are operating at a profit, it does not seem reasonable that you would have kept the money.

Mr. JACOBSON. In 1955, there still was a very small profit in the operations.

Senator MUNDT. About how big a profit was it?

Mr. JACOBSON. Very small. I don't think we might have made but \$25,000. A very small profit.

Senator MUNDT. Just hold it. \$25,000. That is a small profit, I will admit, on the size company that you run. But if you made a \$25,000 profit, it seems to me that the \$4,882.95 should have gone to the unionmen whose money you had taken.

Why did you not pay them and cut your profit to \$21,000?

Mr. JACOBSON. It should have been paid. That I can't answer, why it was not.

Senator MUNDT. You will agree that it should have been paid?

Mr. JACOBSON. Yes; it should have been paid. Why it was not, I haven't got the answer for it.

Senator MUNDT. Since 1956, the figure has been growing. There is the concept that you can't drain blood out of a turnip. Maybe you would not pay them when you were making a profit.

Senator KENNEDY. The fact is in 1955 the 3 of you paid a profit of \$125,000. If your profit was only \$25,000, and I think it was probably more, then you each were getting \$32,000, which brings you up to nearly \$100,000.

So, actually, the 3 of you took out of that company \$125,000 at the time when you were taking \$4,828 out of the employees.

I understand these employees are mostly Puerto Ricans, about 90 percent; is that correct?

Mr. JACOBSON. I wouldn't say it was 90 percent.

Senator KENNEDY. What percent?

Mr. JACOBSON. What year are you referring to? 1955?

Senator KENNEDY. Take 1955 or 1956.

Mr. JACOBSON. Taking 1956, I don't think we have at the present time 20 percent Puerto Rican help.

Senator KENNEDY. What was it in 1955?

Mr. JACOBSON. It might have been 50 percent.

Senator KENNEDY. What was the lowest salary you paid a beginner in the company?

Mr. JACOBSON. In what year?

Senator KENNEDY. 1955.

Mr. JACOBSON. In 1955, we had help there before the minimum that we were paying 80 cents.

Senator KENNEDY. Eighty cents? That is the beginning. After a year what do they get?

Mr. JACOBSON. Then the minimum came along and they got a dollar.

Senator KENNEDY. And how——

Mr. JACOBSON. We have a scale, Senator, that runs anywhere from \$1 to \$3 an hour.

Senator KENNEDY. How many employees get \$3 an hour?

Mr. JACOBSON. There at one time we had as many as 15, in the skilled part of the business.

Senator KENNEDY. I would like to ask you if you would provide this committee with a register of what salaries you are paying your employees now, the union members? My information is that not many get \$3 or \$2, and that the average wage runs between \$1.10 and \$1.50. If that is contrary, I would like to have you provide that information.

Mr. JACOBSON. I understand the committee has a copy of the contract.

Mr. KENNEDY. I do not think it would show how much his employees get paid.

Mr. JACOBSON. You have a breakdown as to what the scaling of the employees, in the contract.

Mr. KENNEDY. But how many employees are in what grade we do not have.

Mr. JACOBSON. That I don't know.

Mr. KENNEDY. You would not have that in the contract, so we wouldn't know how much your workers actually get paid.

Mr. JACOBSON. We have a departmental scale, and it shows what category the worker is in, and what his scale is.

Senator KENNEDY. Is it possible for you to provide that? If you have 1,000 employees, you must have it divided into grades. Could you provide us with how many employees are getting \$1.10 and \$1.20?

Mr. JACOBSON. Yes, we can get that for you. We can get up the figures of how many are getting \$1.10, \$1.20, \$1.50, \$1.75, \$2, \$3.

Senator KENNEDY. That is fine.

Do you know George Baker?

Mr. JACOBSON. No, sir.

Senator KENNEDY. Do you know if he was a friend of Klinghoffer's?

Mr. JACOBSON. From what I understand, Mr. Dunne was at our office, and in the course of conversation while I was there, my partner, Albert Klinghoffer, mentioned the fact that he knew him, of only going to school with him.

Senator KENNEDY. Has he seen him since then, do you know?

Mr. JACOBSON. The conversation that he had given Mr. Dunne, while he was in his presence, the question was asked and he said, "No."

Senator KENNEDY. Are you stating that your partner stated that he did not know Mr. Baker since schooldays?

Mr. JACOBSON. If I remember correctly, he mentioned the fact that he went to school with him.

Senator KENNEDY. I think what is interesting about this is that Mr. Tolkow, who is the head of the union, who is tied up with Johnny Dio, through a variety of circumstances, finally got to be the head of your union, even though when you started, as I understand, you had another union representing your workers.

Mr. JACOBSON. Yes, Senator.

Senator KENNEDY. And that it has been this union, with Mr. Dio's friend and associate Mr. Tolkow, the union leadership, which has permitted you to engage in this practice which we discussed this morning, of taking union funds and using them for your own purposes.

Mr. JACOBSON. I didn't get the question.

Senator KENNEDY. Mr. Dio's friend, Mr. Tolkow, permitted you to do that, is that correct? He agreed to this procedure?

Mr. JACOBSON. Mr. Tolkow?

Senator KENNEDY. Yes.

Mr. JACOBSON. Agreed to use—

Senator KENNEDY. Agreed to your taking these union dues.

Mr. JACOBSON. You misunderstood. I never said he agreed to it.

Senator KENNEDY. You did not tell him?

Mr. JACOBSON. You are asking me a question. I said Mr. Tolkow never agreed for us to hold back the union dues.

Senator KENNEDY. He did not know about it?

Mr. JACOBSON. He knew about it, but he didn't tell us it was the right thing to do.

Senator KENNEDY. It was not the right thing to do.

Mr. JACOBSON. To hold back the union dues.

Senator KENNEDY. What did he do about it?

Mr. JACOBSON. There wasn't much he could have done about it. We didn't have enough money.

Senator KENNEDY. We already discussed that in 1955 you had enough to pay yourselves \$125,000.

What did he say then?

Mr. JACOBSON. Well, that I don't think was brought into the question, Senator, as to what we were getting.

Senator KENNEDY. So he never asked you that?

Mr. JACOBSON. No, sir.

Senator KENNEDY. He never asked the profits or if the company was making profits?

Mr. JACOBSON. He asked if the company was making a profit, but he didn't get into a personal issue as to what we were drawing out of the company.

Senator KENNEDY. When you told the company was making a profit, he did not ask you to pay back these funds?

Mr. JACOBSON. We were not in a position to pay it back. We said we would pay it back.

The CHAIRMAN. Is there anything further?

Senator KENNEDY. I think this story he has told us is a disgraceful story. I hope Mr. Tolkow can throw more light on it.

I want to ask the witness to provide this salary schedule.

I want to see how many of your employees are getting \$3 an hour.

The CHAIRMAN. Provide that schedule as of today, the basis of their wages as of this date. That will be provided under oath.

Mr. JACOBSON. Yes. We will give you a schedule of the workers' salaries and what they are getting, how many workers are getting so much, and so on, right down the line.

The CHAIRMAN. That is right.

And that will be part of your testimony here under oath, when submitted.

Senator KENNEDY. How long will it be before we can get that?

(The witness conferred with his counsel.)

Mr. JACOBSON. I imagine it would take about a week or 10 days, Senator.

Senator KENNEDY. Do you have an IBM machine?

Mr. JACOBSON. No, sir.

The CHAIRMAN. When it comes in, it will be made exhibit No. 48.

(The document referred to was made exhibit No. 48 for reference and may be found in the files of the select committee.)

Senator MUNDT. In 1955 and 1956, that was the time they were withholding the dues, Mr. Chairman, and I think the breakdown would be best for that time.

Senator KENNEDY. I would like to get 1955 and 1956, too.

The CHAIRMAN. Do you want 1955 and 1956?

Senator KENNEDY. And 1957.

The CHAIRMAN. The 3 years. All right.

Mr. MANDELKER. As of what dates in 1955 and 1956?

We would have to take some particular dates.

Senator KENNEDY. What is your normal year?

Mr. MANDELKER. You can take any date at all, Senator.

Senator KENNEDY. We will take May 1, and then we will get into 1957.

Mr. MANDELKER. May 1, 1955; May 1, 1956; and the current date, today's date in 1957?

The CHAIRMAN. Make it May 1 all the way through.

Is there anything further?

Mr. Jacobson, you will stand aside for the present. Further testimony may be needed from you this afternoon as we progress with other witnesses.

In the meantime, the committee will stand in recess until 2 o'clock.

(Whereupon, at 12:35 p. m., the committee recessed, to reconvene at 2 p. m., the same day.)

(Members present at the taking of the recess: Senators McClellan, Kennedy, and Mundt.)

AFTERNOON SESSION

The CHAIRMAN. The hearing will come to order.

(Members present at the convening of the session were Senators McClellan, Ives, and Goldwater.)

Mr. KENNEDY. Mr. Chairman, yesterday afternoon we went into the granting of the charter for Local 355 of the UAW-AFL, and Mr. Krieger testified that Mr. Tolkow and Mr. Damas came over from New York to New Jersey and saw him and asked him to get them a charter. He contacted Johnny Dio and through the international got a charter for Mr. Tolkow and Mr. Damas.

Thereupon, they started this organization drive on the Roto-Broil Co. We have Mr. Tolkow here who will be the next witness and who, of course, will be questioned about how he got the charter and he will be questioned about the organizational drive of 355, and then ultimately he was on the charter application for local 362 of the International Brotherhood of Teamsters, and we will want to know what information he has about that.

The CHAIRMAN. Mr. Tolkow, come around, please, sir.

Do you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. TOLKOW. I do.

**TESTIMONY OF BERNARD TOLKOW, ACCOMPANIED BY COUNSEL,
ALEXANDER ELTMAN**

The CHAIRMAN. State your name, your place of residence, and your business or occupation, please, sir.

Mr. TOLKOW. Bernard Tolkow, 7317 171st Street, Flushing, Queens.

The CHAIRMAN. Your business or occupation?

Mr. TOLKOW. I respectfully decline to answer on the ground it may tend to incriminate me.

The CHAIRMAN. You are another one of them, are you? You have your lawyer?

Mr. TOLKOW. Yes, sir.

The CHAIRMAN. Your lawyer, will you identify yourself for the record?

Mr. ELTMAN. Alexander Eltman, member of the bar of the State of New York, 350 Fifth Avenue, Borough of Manhattan.

The CHAIRMAN. Do you state under oath that you honestly believe that if you gave your business or occupation that the truth would tend to incriminate you?

Mr. TOLKOW. It might, sir.

The CHAIRMAN. You really believe that?

Mr. TOLKOW. Yes, sir.

The CHAIRMAN. Well, it may. Proceed, Mr. Counsel.

Mr. KENNEDY. Could we have a little bit of your background, Mr. Tolkow? You were born in New York City, were you?

(Witness conferred with his counsel.)

Mr. TOLKOW. I refuse to answer on the ground it may tend to incriminate me.

Mr. KENNEDY. Did you go to school in New York City?

Mr. TOLKOW. I refuse to answer on the ground it may tend to incriminate me.

The CHAIRMAN. What was the question?

Mr. KENNEDY. Whether he went to school in New York City, and I question whether he can refuse to answer that question on the ground it might incriminate him.

The CHAIRMAN. Do you honestly believe that if you answered the question as to whether you went to school in New York City, that a truthful answer might tend to incriminate you, and do you so state under your oath?

(The witness conferred with his counsel.)

Mr. TOLKOW. Sir, it might.

The CHAIRMAN. It might?

Mr. TOLKOW. Yes.

The CHAIRMAN. Do you know anyone who has been incriminated by going to school in New York?

Mr. TOLKOW. Sir, I decline to answer that question on the ground it might tend to incriminate me.

The CHAIRMAN. Well again, the Chair will put the question. Did you attend school in New York City?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. With the permission of the committee, the Chair is going to order and direct you to answer that question.

(The witness conferred with his counsel.)

Mr. TOLKOW. Sir, I decline to answer on the ground it may tend to incriminate me.

The CHAIRMAN. All right; proceed.

Mr. KENNEDY. Mr. Chairman, after Mr. Tolkow grew up, he went to work and we understand he also became a member of the Communist Party. Is that correct, Mr. Tolkow?

Mr. TOLKOW. Sir, I decline to answer that question on the ground it may tend to incriminate me.

The CHAIRMAN. How long were you in the Communist Party?

Mr. TOLKOW. I decline to answer on the ground it may tend to incriminate me.

The CHAIRMAN. Are you still a Communist?

Mr. TOLKOW. I decline to answer that question on the ground it may tend to incriminate me.

The CHAIRMAN. That would not incriminate you, being a Communist. You don't mean to imply that, surely, do you?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Proceed.

Mr. KENNEDY. We understand he was a member of the East Side Club of the New York Communist Political Association in 1945, and in 1946 he signed nominating petitions for Benjamin Davis, Communist Party candidate, in both 1945 and 1946.

Is that correct?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Were you in a labor union at the same time you were in the Communist Party?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Proceed.

Mr. KENNEDY. In 1949, he was a sponsor of demonstrations in Foley Square, protesting the trial of the 11 national leaders of the Communist Party.

Is that correct, Mr. Tolkow?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

Senator IVES. I would like to ask the witness if he was ever a member of the American Labor Party up in New York.

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Are you a member of anything that you will admit being a member of?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

Senator IVES. May I ask another question. I would like to ask the witness if he is a Democrat?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it might tend to incriminate me.

Senator IVES. I will be fair about it, and I would like to ask the witness if he is a Republican?

Mr. TOLKOW. I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. It is pretty apparent that you are a fifth-amendment artist; you can't deny that.

Mr. KENNEDY. And he was a signer of a brief amicus curiae in the appeal of contempt citation of the lawyers who represented Foster and the rest of the Communists.

Is that correct?

Mr. TOLKOW. I didn't get that question.

Mr. KENNEDY. Did you sign a brief amicus curiae, friend of the court, in 1949 and 1950, regarding the contempt citation against the lawyers who represented the Communists, the 11 Communist leaders?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

(At this point Senator Kennedy entered the hearing room.)

The CHAIRMAN. If you saw your signature on that petition, would you be proud of it?

Mr. TOLKOW. I decline to answer the question on the ground it may tend to incriminate me.

Mr. KENNEDY. And we understand also Mr. Tolkow contributed \$500 to the civil rights congress bail fund which was set up to supply bail money for the national leaders of the Communist Party.

Is that correct?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Did you take that money out of union dues or union funds?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. If you did, do you not think the union members are entitled to know it?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. I am giving you an opportunity now to deny it so you can tell them that you did not. Do you want to take advantage of the opportunity and deny it?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. All right, proceed.

Mr. KENNEDY. Mr. Chairman, we also understand that Mr. Tolkow became a member of District 65, Distributive, Processing, and Office Workers of America, up in New York City.

Were you a member of district 65?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

Mr. KENNEDY. Were there a number of other Communists in district 65 at the time?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

Mr. KENNEDY. And we understand while a member of district 65, Mr. Chairman, he went at the end of 1953 and saw Mr. Harold Krieger over in New Jersey, and requested a charter for the UAW-AFL and that charter was granted to him, local 355, is that correct?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

Mr. KENNEDY. And the charter was granted to you at that time for the purpose of organizing the Roto-Broil Co., about which we have had some testimony this morning.

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

The CHAIRMAN. Did Judge Krieger know you were a Communist when you went to see him?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

Mr. KENNEDY. Now, according—

The CHAIRMAN. Are you a member of a labor union now?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Are you an officer in any labor union now?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Are you employed by any labor union or organization now?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. What do we have on that, Mr. Counsel? Is he in a labor union at this time?

Mr. KENNEDY. He is in local No. 355, independent, Mr. Chairman, which was formerly one of the UAW-AFL locals, and whose charter was later lifted in the early part of this year.

He was also, and which is of interest to us, he was one of the charter applicants for local No. 362 of the teamsters, and the charter was granted to local No. 362. He was one of the charter applicants at that time, which, of course, turned out to be a paper local.

The CHAIRMAN. All right, proceed.

Mr. KENNEDY. Now, we understand from the testimony this morning that between January 4, 1954, and November 19, 1954, some \$12,850 was loaned to local No. 355, and this was during the period of time you were making the drive on Roto-Broil, attempting to organize Roto-Broil.

Can you tell the committee where that money came from?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

Mr. KENNEDY. It was not your own money?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

Mr. KENNEDY. Now, we know that all of that money was deposited in the bank account in the form of cash, \$12,800 in the form of cash. Could you tell the committee where you got all of that cash?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Did it come from Johnny Dio?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

The CHAIRMAN. Do you know who it came from?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Also, based on testimony this morning, we learned that at the end of 1955, for the months of November and December, some \$3,735 was collected in dues by Roto-Broil, but only \$1,800 was remitted to local No. 355.

That left a balance due to the union at that time of \$1,935. Mr. Tolkow, would you tell the committee what you know about that?

(The witness conferred with his counsel.)

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

Mr. KENNEDY. Mr. Chairman, we have information that Mr. Tolkow, of course, as an officer of local No. 355, had information about this, and he condoned it, and, also, in 1955, he condoned the company, keeping \$4,828.95 of union members' money, and, in 1956, \$16,848.33 of union members' money, making a total for the 3-year period of \$23,612.28.

Can you tell the committee about that?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

The CHAIRMAN. Was that arrangement made so that you officers could get a kickback out of that money and not have to account for it? Is that a part of your scheme and racket?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

The CHAIRMAN. It might, but I am asking you. Do you want to take advantage of the opportunity to deny it?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

The CHAIRMAN. Proceed.

Senator KENNEDY. Did you make a report on this to the union membership, on the fact that the company was holding back some of the union dues?

(The witness conferred with his counsel.)

(At this point, Senators Curtis and Mundt entered the hearing room.)

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

Senator KENNEDY. Did you know at the time that the company was taking \$4,828.95 of union dues in 1955, that the 3 owners together were taking in salaries and expenses \$100,000, and that they were making a profit of at least \$25,000, and that nevertheless, they felt the company was in such difficulty that they took \$4,828.95 for the company's use?

The testimony this morning was that they had informed you of this. Did you protest it?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

Senator KENNEDY. Did you know what the salaries were, the fact that they were receiving almost \$100,000 while they were taking \$4,828 of the members of your union's money for the company use?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

Senator KENNEDY. You heard the employer, and he answered all of these questions so that now he has put it all in the record. He informed us that he had told you about it and you were familiar with it and you were the head of the union and so it seems to us that we are entitled to some explanation from you.

You do not feel you can give it?

Mr. TOLKOW. I decline to answer the question on the ground it may tend to incriminate me.

Senator KENNEDY. As I understand it, he is still the head of the union.

Mr. KENNEDY. Yes, he is now head of local 355, which is independent, but he was one of the applicants on the charter for Local 362 of the International Brotherhood of Teamsters.

Senator KENNEDY. You have no affiliation now, of this local?

Mr. TOLKOW. I didn't get the question.

Senator KENNEDY. Do you have any affiliation with the AFL or CIO?

(The witness conferred with his counsel.)

Mr. TOLKOW. I decline to answer the questions on the ground it may tend to incriminate me.

Senator KENNEDY. As I understand from the counsel, the charter of 355 has been lifted by the AFL.

Mr. KENNEDY. It was lifted by the international of UAW-AFL, because of pressure brought on them by the ethical practices committee and the AFL-CIO.

Senator KENNEDY. And now this local has no affiliation?

Mr. KENNEDY. No.

Senator KENNEDY. Does it have any other groups associated with it other than the Roto-Broil group?

Mr. KENNEDY. Roto-Broil makes up approximately 90 percent of their membership. They have a small number of other shops.

Senator KENNEDY. When do you come up for election again?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. You never have been elected, have you? It could not be "again."

Mr. TOLKOW. Sir, I didn't get the question.

The CHAIRMAN. You never have been elected, have you?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it may tend to incriminate me.

Senator KENNEDY. Now, I understand you have not been elected, but you have been appointed.

He has been appointed by the governing group of the UAW-AFL?

Mr. KENNEDY. We understand now he is business manager and that position is the highest position in the union. Originally we believe, he was appointed by the executive board of the international, but I do not know the details.

Senator KENNEDY. Since your local was thrown out of the AFL-CIO, you are still business manager, as I understand. Have you had any elections in the union or who made you business manager of the new local?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

Mr. KENNEDY. We had some information, also on this: You see, he was an applicant on the charter for 362 of the teamsters, he and the other members of 355. We understand Mr. Tolkow used the system of sending in two of the representatives from 355 who had come in, Scott and Flatow.

Scott and Flatow would come into a shop and say they were representing the teamsters and demand to organize the shop. Then Mr. Tolkow would wait a couple of days and then he would go into the shop and say, "I am representing UAW-AFL. I understand the teamsters have been here, but I can give you a better contract than they can."

Senator KENNEDY. And less wages.

Mr. KENNEDY. And it would be an organization from the top down, with management, and he would say, "The teamsters are a powerful union and will cause you trouble, but you sign up with me and it will be much easier for you and better for you."

Then the management would sign the contract with him, and he would say, "When the teamsters come back you can tell them you have already signed up with the UAW-AFL."

We understand he used that system in a number of different shops.

Senator KENNEDY. Is that correct?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

Senator GOLDWATER. Mr. Tolkow, in reference to your attorney, Mr. Eltman, I have noticed him here at least on one other occasion representing a client in the same occupation that you are in. Could you tell me if Mr. Eltman's fees are being paid by you or by the union?

Mr. ELTMAN. Senator, I am perfectly prepared to answer any questions.

Senator GOLDWATER. I asked Mr. Tolkow, and I will get to you. If he takes the fifth, I will come over to you and give you a chance to answer it.

Mr. Tolkow, do you want to tell me about that?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

Senator GOLDWATER. Now he passed the ball to you.

Mr. ELTMAN. I would appreciate if you would ask me that question.

Senator GOLDWATER. I am interested in whether you are representing Mr. Tolkow as an individual or whether you are representing the union that he represents in appearing here with him today.

Mr. ELTMAN. I can answer the question this way: Up until now, up until today, I have done certain work for the union, and I have been paid by the union. The question of who is going to pay for my appearance here, and it will be paid, has not occurred to me, nor have I as yet discussed it with Mr. Tolkow. So, in all honesty, I can tell you I don't know. But up until this point I have received certain fees from the union, and I have performed certain services for the union.

Senator GOLDWATER. That is for the work you have done prior to today.

Mr. ELTMAN. Prior to appearing here with Mr. Tolkow; yes, sir.

Senator GOLDWATER. Are you optimistically thinking you are going to get paid for these services?

Mr. ELTMAN. I intend to render a bill, and I hope that the bill will be paid.

Senator GOLDWATER. Do you have any idea whether you will receive a check for that bill from Mr. Tolkow and—I forget the other gentleman who was with you this morning—will the check come from their individual accounts or will it come from a union?

Mr. ELTMAN. Senator, honestly, I hadn't given thought with respect to whom I would send the bill, or from whom the check would come.

Senator GOLDWATER. I think you can understand the importance of it, because what we are trying to do here is to find legislative ways of protecting the dues money of these people that belong to the unions. Certainly you are entitled to be paid for this, and I am not being critical of you in any way at all. Neither would I be critical of you if you took the money from the union. But I would certainly be critical of the union. Because we have a man here today that only understands a part of the fifth amendment and won't tell us anything, I have to impose on you, and I don't like doing it.

I am wondering if you would be so kind as to let this committee know by letter, when you do get paid, whether it was paid out of the pockets of these individuals or whether it came out of the union funds.

(The witness conferred with his counsel.)

Mr. ELTMAN. Will you excuse me a moment?

Senator, I assure you that the whispered conversation had nothing to do with the manner in which I intend to answer your question.

Senator GOLDWATER. Is he going to send you a bill?

Mr. ELTMAN. I had already formulated the response to your question before Mr. Tolkow whispered something to me. I will be very happy to inform the committee concerning the manner in which I decide to render my bill and who pays it.

Senator GOLDWATER. We would appreciate that. You would contribute quite a bit to the investigation, because we have found other cases where the unions have paid the fees; and, in fact, there was one case lately in Washington where they not only paid the attorney's fees, but they paid witness fees, and quite a sizable amount.

Mr. ELTMAN. If you will forgive me for a moment.

Senator GOLDWATER. Your lawyer wants to talk to you a moment, Mr. Tolkow.

(The witness conferred with his counsel.)

Senator GOLDWATER. Now, Mr. Tolkow, are you married?

(The witness conferred with his counsel.)

Mr. TOLKOW. I respectfully decline to answer on the ground it may tend to incriminate me.

Senator GOLDWATER. Is your wife watching this today? Is she sitting up in New York with a television set watching you, and you don't want to say if you are married to her or not?

Mr. TOLKOW. Sir, I respectfully decline to answer the questions on the ground it may tend to incriminate me.

Senator GOLDWATER. I don't know about you, but I would think a long time before I would deny it if my wife was sitting up someplace watching.

Senator KENNEDY. Did you ever receive any fees from the Roto-Broil Co. itself, legal fees?

Mr. ELTMAN. There was a lawsuit instituted by me on behalf of a group of employees back in 1954, I believe, the latter part of 1954 or early part of 1955. I sued Roto-Broil and I sued Mr. Damas, who was the president of the union there. I compelled the repayment to certain employees of money that had been taken out of their pay envelopes for dues allegedly.

The company repaid certain sums of money to the employees. As part of the settlement, and it is a matter of record—there was a settlement, and it is a matter of record—there was a stipulation entered into, I believe it was filed, under which I received a check for my fee.

At that time, when the question came up, I insisted that I would take no fee from any of the employees. The question was raised that I ought to get a percentage of all of the money paid back to the employees, and I took the position then that I would have no part of it. One of the defendants was going to pay me my fee. One of the defendants did.

Senator KENNEDY. You were representing the union employees in that case, and the employer paid your fee; is that correct?

Mr. ELTMAN. As a statement, that is basically correct, Senator, but it doesn't go far enough.

Senator KENNEDY. Go further with me and tell me where I am wrong.

Mr. ELTMAN. I instituted a class action on behalf of certain employees to compel repayment to them of moneys which had been deducted from their pay. As I stated, as a result of the action, conferences were held, and the settlement was entered into. As part of that, my fee was paid. It was paid by a check issued to me in my name by the Roto-Broil or "J. K."—and I don't know what the corporate identification was.

But it is a common practice, and there is nothing unusual about it. Where lawsuits are settled it is done by the thousands, not only in New York, but throughout the country, that the defendants will pay for the fees of plaintiffs.

Senator KENNEDY. You have been the union's attorney since 1954?

Mr. ELTMAN. I will say that on and off I have represented this union, and I am not and I have been not on regular retainer with them, but on occasion I have been called in.

Senator KENNEDY. What was the total amount that you secured for the employees in this case?

Mr. ELTMAN. I don't know, but may I ask Mr. Tolkow? I have no idea what the total amount was for this reason: The agreement provided that each of the employees was to go to the personnel office of Roto-Broil, and upon presentation and upon signing of a general release would get a check for all of the money that had been deducted for the particular period and I forget just what the period was.

Now, the union notified all of the employees who were involved to go up to Roto-Broil and I understand when they did go they got this check and what the total of that is, I don't know.

Senator KENNEDY. What did you do?

Mr. ELTMAN. I beg your pardon?

Senator KENNEDY. What did you do?

Mr. ELTMAN. My services was to compel the employer to do this.

Senator KENNEDY. Would you have taken it to court?

Mr. ELTMAN. I instituted the lawsuit and the summons was served on Roto-Broil and the other union and several extensions of time were granted for interposing an answer, and the attorneys got together and we decided that the action should be settled.

Senator KENNEDY. This was for union dues funds, you say?

Mr. ELTMAN. My recollection is this, that it was for the recoupment of dues that were deducted by Roto-Broil and being held in escrow by it.

Senator KENNEDY. Now, we have been given some figures, and this is in addition, as I understand it. This is in addition to the fund we have been talking about in 1954 where the company deducted \$1,935.

Mr. ELTMAN. This was in relation to the prior union and had nothing to do with 355.

Senator KENNEDY. I see.

Mr. ELTMAN. This was dues that had been taken out pursuant to an agreement between Roto-Broil and the union that had been in there previously. It has nothing to do with 355.

Senator KENNEDY. Did you tell your client when he took over this union that this company had been doing this in the past and did you warn them about it?

Mr. ELTMAN. He knew all about it.

Senator KENNEDY. He knew all about it?

Mr. ELTMAN. Yes, sir.

Senator KENNEDY. He knew all about this practice? This had been a practice that Roto-Broil had been going through for some time before and they continued to do it, and you have been the attorney for the union and you collected a substantial fee from the company and did you inform the union members that the company was continuing to do it?

Mr. ELTMAN. Sir, you are confusing one situation with another. I must suggest to you that the two are separate and distinct items.

I was brought into this to institute a lawsuit on behalf of certain employees against the company and a union. I have forgotten the number of the union. It was 377.

I was successful in that lawsuit, even though it never went into court. I received my fee. The employees received the money that was coming to them. As far as I was concerned, that is the end of one state of facts.

I did not become or did not do any work for this union, for 355, until sometime thereafter, and it had nothing to do with the question of dues payments. However, I must say to you that I have participated very recently in efforts to recoup money which had been held by the company, such as you were discussing today. I appeared on behalf of local 355 at the first creditors' meeting held in New York of the creditors of Roto-Broil.

I attended as counsel for local 355. The sum involved as I recall it was not anywhere near what was discussed this morning. It is my recollection it was less. I put myself on record with all of the creditors and I took the position that I would not consider local 355 just as an

ordinary creditor, that this was trust funds held by the company and I insisted upon it.

As a matter of fact, I even threatened a strike at that meeting and if I am not mistaken that threat was published in Retailing Daily. I never saw a copy of it, but a reporter did interview me by telephone and asked me how it was going, because I told the creditors I was not to be put in the same position as every other creditor.

As a matter of fact, and as a matter of law, these union funds with respect to creditors stands in the same position as the United States Government. We are preferred creditors and there is no doubt but that when the estate is settled, the money will be paid to the union.

Senator KENNEDY. Does the Government have a claim in there for back taxes? Do they have a lien on this company?

Mr. ELTMAN. On the basis of what I have heard, I can say, "Yes," and I do not have any independent knowledge.

Senator KENNEDY. Is that a couple of hundred thousand dollars? Is the lien for taxes, back taxes——

Mr. ELTMAN. Again, based upon what I had heard at that meeting, I believe it was for back taxes.

Senator KENNEDY. You must have looked it up. Representing the employees, and they have \$25,000 involved, and so you must know whether there is a lien of \$250,000 by the Federal Government on this company.

Mr. ELTMAN. Senator, I made no independent search.

Senator KENNEDY. Are you prepared to tell me that you do know or you do not know how much is the lien that the Federal Government has on this company?

Mr. ELTMAN. That is precisely it.

Senator KENNEDY. You have no idea what the figure was?

Mr. ELTMAN. No, sir.

Senator KENNEDY. It has been published in Dun & Bradstreet.

Mr. ELTMAN. If it has I have not seen it.

Senator KENNEDY. You are not aware of it?

Mr. ELTMAN. I am not aware of it.

The CHAIRMAN. All right, Mr. Counsel.

Mr. KENNEDY. This is a document.

The CHAIRMAN. The Chair presents to the witness a photostatic copy of application for a charter dated November 8, 1955, purportedly for charter 362, Warehouse and Processors, on which the witness' name appears and I ask that he examine this document and state whether or not he identifies it.

(A document was handed to the witness.)

Mr. TOLKOW. What was your question, sir?

The CHAIRMAN. I directed you to examine the document and state whether or not you examined it.

Mr. TOLKOW. I have examined it, sir, and I respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Do you think that document might tend to incriminate you?

Mr. TOLKOW. It might, sir.

The CHAIRMAN. All right, let us look at it, and examine it a moment. Your name appears to be on it, does it not?

(The witness conferred with his counsel.)

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Can you see?

Mr. TOLKOW. Sir, I can decline to answer the question on the ground that it may tend to incriminate me.

The CHAIRMAN. Can you read? Can you read your own name?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. All right, let me have the document.

That document may be made exhibit No. 49.

(The document referred to was marked "Exhibit No. 49" for reference and will be found in the appendix on p. 4446.)

Senator MUNDT. Before you leave that document, I have a question. I will question the man with a glass of water in his hand, as I did not get your respective names.

I am confused because normally when you have a witness who will not testify, he gets counsel from his lawyer and it appears to me in this case that the lawyer is getting counsel from the witness, because I see him whispering to him and I am not sure which is which at the moment.

Mr. ELTMAN. Senator, I am counsel for the witness, and my name is Alexander Eltman, E-l-t-m-a-n.

Senator MUNDT. You have been responsive and I wanted to ask you a question. You said you had appeared before the creditors' meeting.

Mr. ELTMAN. That is correct.

Senator MUNDT. And I was going to ask you this question: At whose request did you appear before the creditors' meeting?

Mr. ELTMAN. I appeared at the request of the union.

Senator MUNDT. Well, did an officer of the union make the request, or was there a meeting held and they requested you to do so?

Mr. ELTMAN. Actually, there were several officers who discussed this matter with me and as a result of that conversation, I appeared at the creditors' meeting.

Senator MUNDT. Would you mind telling the committee who those officers were?

Mr. ELTMAN. I ask you, Senator, to bear in mind that an attorney always has a problem as to when he violates the confidence that a client reposes in him. I am dutybound to respect that confidence, and at the same time I have no desire to appear uncooperative.

Senator MUNDT. It would not seem as if it would be a state secret to tell us who the officers were who asked you to appear.

Mr. ELTMAN. It might, for the reason, Senator, that these officers could conceivably, although I do not say it would be the fact, say to me, "When we told you we were officers of this union, we did not want anyone else but you to know it."

Now, I don't know whether that is the fact but it is conceivable.

Again, at the risk of appearing uncooperative, and I have no desire to, I must ask you, Senator, not to force me to possibly violate the confidence of the client.

Senator MUNDT. Maybe you can answer this question without violating the interests of your client: Are the officers of the particular union whose interests were involved at this creditors' meeting in some way a secret group unknown to the general public? That disclosure

would be a violation of a secret relationship between the lawyer and client.

Mr. ELTMAN. Frankly, I don't know how to answer that question, sir. I can only say this, that I did have a discussion with the officers of the union and I did appear at a creditors' meeting for and on behalf of the local, and beyond that I am frank enough to tell you I don't know.

Senator MUNDT. You do feel that to tell us the names of those officers would be disclosing a secret which had better be kept?

Mr. ELTMAN. I will put it this way, that conceivably it could. I am not making the positive statement that it would. But in view of the fact that the possibility could exist, I must ask you to let me respect the confidential relationship of attorney and client.

Senator MUNDT. Very well.

The CHAIRMAN. You may contact those officers and see if they are willing for you to disclose them. If they are, then you are under no further obligation to withhold it. All right, proceed.

Mr. KENNEDY. Well, Mr. Chairman, this document that we put in is the application for local 362, which is one of the paper locals of the teamsters, and lists as the first name, Bernie Tolkow, and then we have Arthur Scott, Murray Flatow, which, of course, are the people in 355, and you can see them going over into 362, and George Bivens, Allan Mengold, and Sandiego Vasquez.

Do you know any of those other people?

Mr. TOLKOW. Sir, I respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Is your name "Bernie"? Is that your name?

Mr. ELTMAN. Excuse me. The witness has given his name as "Bernard Tolkow" to the stenographer.

The CHAIRMAN. I thought so, and I wondered if he went by the name "Bernie" as well as "Bernard." That is all I am asking.

Mr. TOLKOW. I respectfully decline to answer the question on the ground it would tend to incriminate me.

The CHAIRMAN. If it is your name, you are not ashamed of it, are you?

Mr. TOLKOW. Sir, I respectfully decline to answer the questions on the ground it may tend to incriminate me.

The CHAIRMAN. Don't you sometimes call "Bernard" "Bernie," and "Bernie" "Bernard," and so forth? Do friends call you "Bernie" sometimes? Do you have friends? Would that incriminate you, if I asked you if you have any friends?

Mr. TOLKOW. Sir, I respectfully decline to answer the question on the ground it may tend to incriminate me.

Mr. KENNEDY. Now, Mr. Chairman, they received their first charter through John Dioguardi. Do you know him, Johnny Dio?

Mr. TOLKOW. Sir, I respectfully decline to answer the questions on the ground it may tend to incriminate me.

The CHAIRMAN. Are all of you guys coming in here and taking the fifth amendment afraid of Johnny Dioguardi? Are you afraid of him?

Mr. TOLKOW. Sir, I decline to answer the question on the ground it may tend to incriminate me.

Mr. KENNEDY. Then the charters or these paper locals of the teamsters were set up, Mr. Chairman, in order to have people to vote in the

election that was held for the presidency of the joint council, joint council 16 in New York City. The request that these charters be granted was made to the international by Mr. James Hoffa.

Do you have any information on that? Do you know how your name appeared? Did you talk to Mr. Hoffa about this? Could you tell us what you know about Mr. Hoffa's participation in this?

Mr. TOLKOW. Sir, I decline to answer the questions on the ground it would tend to incriminate me.

Mr. KENNEDY. That is all, Mr. Chairman.

Senator KENNEDY. I have a question. Mr. Tolkow, as I understand, you were informed about these union dues being used by the company to the amount of \$23,612 which the company now owes to the union members. I understand that the Federal Government has filed a tax lien on the company for \$250,000, approximately, for the failure of the company to send down to the Federal Government the withholding tax and other taxes.

Now, I would think that both you, as head of the union, and your attorney, as the attorney for the union, should be rather concerned about what is going to happen to this \$23,000 which the company used for its own purposes, which belonged to your members, which you evidently permitted them to do. If the Federal Government is going to come in and take \$250,000 and there are other creditors, what are the chances of your members getting the \$23,000 back?

I would like to ask the witness. He is the head of the union.

(The witness consulted with his counsel.)

Mr. TOLKOW. I decline to answer the question on the ground it may tend to incriminate me.

Senator KENNEDY. Do you want your counsel to comment on any matter? Do you want to comment?

Mr. ELTMAN. I would like to comment.

(The witness consulted with his counsel.)

Senator KENNEDY. If the counsel is going to comment on this, I would like to have him sworn, Mr. Chairman.

Mr. ELTMAN. I am happy to be sworn.

Senator MUNDT. Mr. Chairman, I would like to direct a question to counsel.

Senator KENNEDY. Could I get an answer to my question, and I will be through.

The CHAIRMAN. Will you be sworn?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ELTMAN. I do.

TESTIMONY OF ALEXANDER ELTMAN

The CHAIRMAN. For the official record, since this other has been colloquy, without being under oath, state your name, your place of residence, and your business or occupation.

Mr. ELTMAN. My name is Alexander Eltman. I am an attorney, permitted to practice in the State of New York and other courts. My office address is 350 Fifth Avenue.

The CHAIRMAN. Thank you.

Mr. ELTMAN. With respect to the observation made by Senator Kennedy—

The CHAIRMAN. Would you ask the question again for the official record?

Senator KENNEDY. I asked your client the question, in view of the testimony that has been given that he was aware that money or union dues were not turned over to the union, and since the Federal Government now has a lien against the company for failure to pay their taxes of over \$250,000 in addition to other creditors, whether he feels he has met his responsibility to the union members.

Then I also asked whether you as the attorney, whether you did not feel that there had been negligence in view of the fact that your client was in control of information for a period of 4 years as to the disposal of these funds.

Mr. ELTMAN. I want to confine my answer to activities and events with which I am familiar. I cannot discuss anything which I have no familiarity with.

Senator KENNEDY. Were you aware of the fact that this \$23,000 had been set aside as union funds?

Mr. ELTMAN. No, sir.

Senator KENNEDY. You were not aware of that?

Mr. ELTMAN. No, sir.

Senator KENNEDY. Then I don't think that probably you have any information.

Mr. ELTMAN. I can bring you up to date, however. I was made aware that a certain figure was due the union, and at no time was the figure \$23,000. I was given a complete analysis of the moneys due the union. My best recollection is that it was around \$12,000 or \$13,000. I am informed that there is now due the union \$8,000.

With respect to our observation concerning—

Senator KENNEDY. The Government accounting people who have gone through the books hold to the figure of over \$23,000.

Mr. KENNEDY. Well, according to the certified public accountant who made a study of the books, he figured \$24,219.85. That is, Roto-Broil and a number of other shops where the same practice has taken place, but out of that \$24,219.85, \$22,944.35 is Roto-Broil.

This is from the union's own books and from a certified public accountant who made a study of those books and not our own.

Mr. ELTMAN. I am testifying without any records and without my file. My best recollection is that the figure did not reach \$23,000.

Senator KENNEDY. In view of the fact that the records show it does, your testimony is not of much value, and you have not become fully familiar with the facts. You say you did not know that these funds were being set aside until this year; is that correct?

Mr. ELTMAN. I beg your pardon?

Senator KENNEDY. You did not know these funds were being set aside until this year.

Mr. ELTMAN. That the funds were being set aside?

Senator KENNEDY. Taken by the company and set aside for their own use; you did know that?

Mr. ELTMAN. I had no knowledge of that.

Senator KENNEDY. Your client did, and that is what we are trying to find out, why he permitted it.

Senator MUNDT. Mr. Eltman, we were discussing a little earlier the fact that you had a period before the creditors' meeting in an effort to have the union dues which were held by the Roto-Broil Co. put on a preferential basis.

I tried to elicit from you which officers of the company had asked you to intercede for them and you said that you preferred to rely on your lawyer-client relationship and not disclose their names.

Not being a lawyer, I suppose I accept that, and I recognize there is a relationship between lawyer and client and it is usually close and sometimes curious and also confidential.

Being a layman I am not going to try to get myself involved in that area. I would like to ask you another question on that general context.

Were you here this morning when Mr. Jacobson testified?

Mr. ELTMAN. Yes, I was.

Senator MUNDT. You will recall that he said that the union had made certain claims upon them, or filed a complaint to get back this money which they had been holding. Do you recall that portion of his testimony?

Mr. ELTMAN. I believe I do.

Senator MUNDT. I was wondering whether as an attorney for the union, you had prepared that complaint or that letter or that protest which had been mailed directly to Mr. Jacobson's organization before the time you appeared before the creditors' meeting.

Mr. ELTMAN. No, sir, I did not, nor am I aware that any written demand was made. I understood it to be a personal demand.

Senator MUNDT. If it were a personal demand, it was not through your office?

Mr. ELTMAN. No, sir, it was not.

Senator MUNDT. Your first contact with this money was at the time the officers asked you to appear at the creditors' meeting to represent them; is that right?

Mr. ELTMAN. Well, slightly before that, to be accurate. It was at the time when I received a call from the union officers to tell me that a check which they had deposited of Roto-Broil had been refused or returned by the bank because there appeared either that day or the preceding day, a notice in the newspaper to the effect that Roto-Broil had filed a petition for reorganization, under chapter 11 of the Bankruptcy Act.

I was told further that the union had in its possession a series of postdated checks, in payment of the arrears and that they had entered into an agreement whereby the company had given them the money, but because of the financial condition in which the company found itself it could not make the payment at one time.

So the union had a series of checks that were dated beyond the particular date I am talking about. I have not the faintest idea what date it was, but that was the first indication that I got that there was a claim for withheld dues, and that led to my appearance at the creditors' meeting.

Senator MUNDT. So the arrangements made for this series of postdated checks was made either by the officers of the union or by some other intermediary, but not by you.

Mr. ELTMAN. I had no knowledge of it.

Senator MUNDT. And this check returned by the bank was returned for insufficient funds; was it?

Mr. ELTMAN. No; the bank took the position that having received constructive notice of the filing of a petition, as a matter of law it could not pay out any funds of the corporation and, therefore, stopped payment on this check.

Senator MUNDT. The bank must have received some other notice than simply something in the newspapers.

Mr. ELTMAN. I don't know what the bank received, except that I recall telephoning the manager and asking him why he would not pay, and he said, "Well, Roto-Broil is in chapter 11." I argued with him and I said, "Have you been served with any notices, and have you received any court orders?" And his position was, "We do not have to. If we know it, we are not paying out any money."

Senator MUNDT. Thank you.

The CHAIRMAN. Are there any further questions of either witness?

The witness will remain under his present subpoena, subject to recall at any time that the committee may desire further testimony from him, and do you acknowledge that recognizance?

Mr. ELTMAN. We do, sir.

The CHAIRMAN. You will come back upon reasonable notice being given?

Mr. ELTMAN. Yes.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Chairman, we have three witnesses who are down here from local 227. They appeared before the Senate Subcommittee on Investigations last January and were not very talkative.

I am wondering if it would be possible perhaps, to have all three of them testify at the same time and dispose of it more expeditiously?

The CHAIRMAN. If they have become talkative since, I do not know whether it would be a good idea or not.

Senator MUNDT. As a mathematical formula, three times nothing is nothing.

The CHAIRMAN. You may try it.

Mr. KENNEDY. They are Mr. Harry Reiss, Mr. David Cosentino, and Mr. Arthur Santa Maria.

The CHAIRMAN. Stand up and be sworn.

Do you and each of you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SANTA MARIA. I do.

Mr. COSENTINO. I do.

Mr. REISS. I do.

TESTIMONY OF HARRY REISS, ARTHUR SANTA MARIA, AND DAVID COSENTINO, ACCOMPANIED BY COUNSEL, LEON REICH

The CHAIRMAN. The party on my left, will you give your name, your address, and your place of business?

Mr. SANTA MARIA. My name is Arthur Santa Maria. I reside at 8218 14th Avenue, Brooklyn.

On the third question I am invoking the fifth amendment.

The CHAIRMAN. Do you know how to invoke it?

Mr. SANTA MARIA. I refuse to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. You better ask your lawyer. I am not going to give you further advice than that.

Let us take the next one.

Mr. COSENTINO. My name is David Cosentino, 209 Bay 20th Street, Brooklyn.

The CHAIRMAN. Did you tell me your business or occupation?

Mr. COSENTINO. No. I refuse to answer the question. It may intend to incriminate me.

The CHAIRMAN. May intend to incriminate you?

Mr. COSENTINO. Yes.

The CHAIRMAN. Next?

Mr. REISS. My name is Harry Reiss. I live at 201 Avenue I. I refuse to answer the third question on the grounds it may tend to incriminate me.

The CHAIRMAN. Is that New York?

Mr. REISS. Brooklyn, sir.

Mr. KENNEDY. Mr. Chairman, we have a little chart that we used in the subcommittee that gives a little background information on these individuals, and I would like to have Mr. Tierney explain it, if he might.

The CHAIRMAN. Since these witnesses indicate that they do not like to talk, we will pick up a little of the record and see if we can get something in here that might give us a little information.

Do you have a lawyer to advise you?

Mr. REISS. Yes.

Mr. COSENTINO. Yes, sir.

The CHAIRMAN. The same lawyer representing all three of you?

Mr. SANTA MARIA. Yes, sir.

The CHAIRMAN. Are you the gentleman representing them?

Mr. REICH. Yes.

The CHAIRMAN. State your name, again. I am sure the reporter already has it.

Mr. REICH. Leon Reich, 141 Broadway, New York 6, N. Y.

TESTIMONY OF PAUL J. TIERNEY

The CHAIRMAN. Mr. Tierney, you have been sworn previously in this hearing?

Mr. TIERNEY. I have been.

The CHAIRMAN. You are a member of the committee staff?

Mr. TIERNEY. I am.

The CHAIRMAN. We will proceed. I will direct each witness now on the stand to observe and listen because you may be interrogated about the testimony of this witness.

Proceed, Mr. Tierney.

Mr. TIERNEY. This chart which we formerly used for the Permanent Subcommittee on Investigations, Mr. Chairman, depicts the origin of local 284, the teamster local. It had its origin in Local 496 of the International Chemical Workers Union, which was chartered in 1952. However, because of an indictment of Mr. Harry Reiss, and Mr. Cosentino, in Kings County, N. Y., the charter was revoked by the international in October of 1953.

Shortly thereafter, this group, as you see by the names, shifted over here to local 227.

After having their charter revoked, they secured a charter through Johnny Dioguardi—

Senator CURTIS. Would you read the list of names that shifted over?

Mr. TIERNEY. The ones that shifted over?

Yes, Senator.

President Harry Reiss became president of Local 227, UAW; Arthur Santa Maria was secretary-treasurer of local 496 and became secretary-treasurer of local 227; Alfred Petrozza, who was a trustee of local 496, became a trustee of local 227; Fred Virgilio, who was a trustee of local 496, became a trustee of local 227.

Dominick Santa Maria who was a guide in local 496, became a trustee in local 227.

Mr. KENNEDY. In that connection in 496, also an officer in 496 was Max Chester, or had been; is that correct?

Mr. TIERNEY. Max Chester was the former president of 496.

Mr. KENNEDY. Then he was succeeded by Harry Reiss, but he remained with 496; is that right?

Mr. TIERNEY. He remained with 496.

Mr. KENNEDY. When 496's charter was lifted, Max Chester transferred to 227 also?

Mr. TIERNEY. That is right. He was initially the president of local 227.

Mr. KENNEDY. He was the first president of local 227?

Mr. TIERNEY. That is right.

Mr. KENNEDY. When you give the accounts in the chart, would you include what happened to him at the same time, to Max Chester?

Mr. TIERNEY. Yes; as I said, local 227 was chartered in November 1953, to these individuals, whose charter had been revoked because of difficulty some of their officers had gotten into.

Shortly after local 227 was chartered, Arthur Santa Maria and Max Chester, who was a previous witness, became involved in a bribery charge. As a result of the bribery charge, Chester was evicted from the union, and the minutes of the union show that Arthur Santa Maria was freed of all blame in connection with that particular bribery charge. He remained as secretary-treasurer.

As you know, Chester thereafter went to 405 of the Retail Clerks International.

In November of 1955, local 284 was chartered as depicted here by the International Brotherhood of Teamsters without the knowledge of the general organizer of New York, as we previously discussed.

You can see here many of the officers of 227 came over to 284. They are David Cosentino, former vice president of 227 who became president of 284; Harry Reiss, president of local 227 became secretary-treasurer of local 284; Dominick Santa Maria, a trustee of 227, became a vice president of local 284. Fred Virgilio, trustee of local 227, became a trustee of local 284.

At the time local 284 was chartered, a review of the records we made indicated that they had no membership at all in the local. However, in July of 1956, a small group of some shops in local 227 were transferred over to local 284.

Senator CURTIS. Was 284 chartered directly by the international?

Mr. TIERNEY. Yes.

Senator CURTIS. Who handled that in the international office?

Mr. TIERNEY. Well, the procedure in the international office is that the charter was issued upon the authority of the general president's office. In that instance, actually it was done by Einar Mohn, acting on behalf of the general president.

Senator CURTIS. What was Einar Mohn's title?

Mr. TIERNEY. He is a vice president, an international vice president of the teamsters and an assistant to the general president.

Senator CURTIS. Is he a regional vice president?

Mr. TIERNEY. No, no; he is not.

Senator CURTIS. Who was the regional vice president for that area?

Mr. TIERNEY. The regional vice president, the general organizer and vice president was Thomas Hickey in New York at the time. When they issued this charter, it was issued without Mr. Hickey's knowledge at all.

Senator CURTIS. Did anyone in the international besides Einar Mohn know about it?

Mr. TIERNEY. In the international?

Senator CURTIS. Yes.

Mr. TIERNEY. Yes.

Senator CURTIS. Who did?

Mr. TIERNEY. Mr. John English knew about it, and he was secretary-treasurer at the time.

Senator CURTIS. Who else?

Mr. TIERNEY. And later on, we are not sure of the circumstances there, later on Mr. Beck was aware of the charter. Whether or not he was actually aware of it at the time, we are not certain.

Senator CURTIS. Who requested the charter?

Mr. TIERNEY. Who requested these charters?

Senator CURTIS. This one from the teamsters, 284.

Mr. TIERNEY. 284? Actually, the charter application shows that a group of officers actually applied for charter and requested it. But, actually, the charter was requested by John McNamara, who was secretary-treasurer of Local 808 of the Teamsters in New York.

The CHAIRMAN. Was there any application?

Mr. TIERNEY. These charters—of course, this is one of the paper local charters which were issued, Senator, upon the recommendations of James Hoffa.

The CHAIRMAN. As I understand it, that application, whatever form it was in, bypassed the usual, regular route that it takes to get up to the international?

Mr. TIERNEY. That is correct, sir.

The CHAIRMAN. And it went directly to the international?

Mr. TIERNEY. That is correct.

The CHAIRMAN. And it was issued without going through the normal processes?

Mr. TIERNEY. That is correct. The normal process would be through the joint council and the general organizer.

The CHAIRMAN. When it was issued, it was issued to those whose names appear there on the board?

Mr. TIERNEY. I am not sure right now. Actually, these were the officers and the principals to whom it was issued. That is correct, Senator.

The CHAIRMAN. What was the date that was issued?

Mr. TIERNEY. November 8, 1955.

The CHAIRMAN. How long was that before the election?

Mr. TIERNEY. The election was February 14, 1956. Three months.

Senator KENNEDY. May I ask a question?

The CHAIRMAN. Senator Kennedy.

Senator KENNEDY. Do you have any information as to who persuaded Mr. Mohn to issue the charter? What was his interest in it? Why would he be interested in putting in this so-called paper local in New York?

Mr. TIERNEY. Well, it is not clear why he was interested.

Senator KENNEDY. Was he asked by anybody?

Mr. TIERNEY. Yes. We interviewed him on it.

Senator KENNEDY. What does he say?

Mr. TIERNEY. He says actually the charters were issued because of the then pending merger of the AFL-CIO, and, according to him, the purpose was to beat that merger and include this group of locals in the UAW within the jurisdiction of the teamsters. So far as he was concerned, that was the purpose.

Mr. KENNEDY. But, Mr. Tierney, who requested Einar Mohn to issue the charters?

Mr. TIERNEY. Mr. Hoffa.

Mr. KENNEDY. That is the answer.

The CHAIRMAN. Did Mr. Mohn state that to you?

Mr. TIERNEY. Yes, he did, sir.

The CHAIRMAN. Is there anything further?

That chart, can it be printed in the record?

Mrs. WATT. We will have it reduced.

The CHAIRMAN. If it can be reduced, let the chart be printed in the record at the beginning of the witness' testimony.

Mr. KENNEDY. Mr. Tierney, these individuals appeared before the Subcommittee on Investigations in January of 1957; is that right?

Mr. TIERNEY. That is correct.

Mr. KENNEDY. Could you tell us what has happened or what has occurred since that time?

Mr. TIERNEY. Yes.

Mr. KENNEDY. What was developed at that subcommittee hearing?

Mr. TIERNEY. During the course of that hearing, we developed evidence that certain checks, ostensibly for organizational purposes of the union, were forged. There were forged endorsements on them and they were cashed by Arthur Santa Maria, Dominick Santa Maria, and David Cosentino. As a result of the disclosures before the committee, there are presently indictments pending against these three individuals for forgery and larceny of union funds in New York.

TESTIMONY OF HARRY REISS, ARTHUR SANTA MARIA, AND DAVID COSENTINO, ACCOMPANIED BY COUNSEL, LEON REICH— Resumed

The CHAIRMAN. Is there anything further?

Senator KENNEDY. I will ask the counsel.

What positions do you now hold?

Mr. SANTA MARIA. Are you directing that question to me?

Senator KENNEDY. Yes.

Mr. SANTA MARIA. I refuse to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. We will ask each of them. What position do you now hold in any labor union or organization?

Mr. COSENTINO. I refuse to answer on the grounds it may tend to incriminate me.

Mr. REISS. I refuse to answer the question on the grounds that it may possibly tend to incriminate me.

The CHAIRMAN. I thought you were possibly going to give us the answer. You hesitated a moment.

(At this point, Senator Goldwater withdrew from the hearing room.)

Senator KENNEDY. I understand that Mr. Reiss is an official of the teamsters now?

Mr. KENNEDY. Yes, I believe he is. I thought David Cosentino was president and Mr. Dominick Santa Maria is vice president and Mr. Harry Reiss is secretary-treasurer of local 284. Then we have Arthur Santa Maria who is associated with the local, but in what capacity we are not sure.

Senator KENNEDY. We have three witnesses who are officers of the teamsters and who have taken the fifth amendment, and who are under indictment for forgery and larceny of union funds.

I would like to ask the counsel whether he has any information that the teamsters in New York or Mr. Beck have moved against them or is conducting an investigation in preparation to asking for their resignation.

Mr. KENNEDY. We have no information that any such action has been taken by the teamsters.

Senator KENNEDY. It seems to me that in view of the ethical practices committee report of the AFL-CIO, which requests the resignation of any officer of a union who takes the fifth amendment, particularly as this involves the use of union funds, and who is also under indictment over the misuse of union funds, the teamsters should immediately ask for your resignation. I would think it would be a test of their willingness to support the AFL-CIO ethical practices committee by immediately, after your appearance here, asking for your resignation.

The CHAIRMAN. Mr. Reiss, I believe you testified before the Senate Investigating Subcommittee in early January this year; is that correct?

Mr. REISS. Yes, sir.

The CHAIRMAN. At that time I believe you refused to answer some questions; is that correct?

Mr. REISS. Yes, sir.

The CHAIRMAN. Subsequently you were cited for contempt of the Senate and indicted by a grand jury for that offense; is that correct?

Mr. REISS. Yes, sir.

The CHAIRMAN. Now I want to give you an opportunity today. You have not been tried yet?

Mr. REISS. What was that, sir?

The CHAIRMAN. You have not been tried on the contempt charge yet; it is still pending?

Mr. REISS. That is correct, sir.

The CHAIRMAN. I want to give you an opportunity today, now, to give us the testimony we requested at that time.

Do you wish to now take advantage of this opportunity before this committee to answer the questions that were propounded to you at that time?

Mr. REISS. I refuse to answer the question on the grounds that it may possibly tend to incriminate me.

The CHAIRMAN. So you are not willing to take any advantage of an opportunity possibly to purge yourself of that contempt charge? You are still standing on it. Is that correct?

Mr. REISS. I refuse to answer that question on the grounds that it may possibly tend to incriminate me.

The CHAIRMAN. No matter whether you answer it or not. I am giving you the opportunity. You appreciate that. You are bound to. You understand the English language. You can say you do not want to answer on the grounds it may incriminate you. But the opportunity is now being presented to you, and gives you an opportunity, if you want to purge yourself of that contempt charge, to make some effort to do so, or to do something in mitigation of it. You are now being given the opportunity to do it.

Do you wish to take advantage of the opportunity?

Mr. REISS. I refuse to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. All right. Proceed.

Mr. KENNEDY. Well, Mr. Chairman, the charter that was granted to local 227, the UAW, and these gentlemen, was granted through the efforts of Mr. Johnny Dioguardi. We have here the charter application. Perhaps we could have it identified.

(At this point, Senator Curtis withdrew from the hearing room.)

The CHAIRMAN. I send you and have presented to you by the clerk of the committee a photostatic copy entitled, "Official Application for Charter of Affiliation Under the Jurisdiction of International Union, United Automobile Workers of America, Affiliated With the American Federation of Labor."

The application appears to be undated, but it is stamped, "Received, October 27, 1955." It is stamped, apparently by the issuing authority, "Charter written M. C. November 3, 1955."

This is for local 227. Apparently, as indicated here, it was sent to Johnny Dioguardi.

This is the union that I understand you witnesses became officers of; is that correct?

Is that correct?

Mr. KENNEDY. Yes; it is.

The CHAIRMAN. Present that, Mrs. Watt, to each one of the witnesses on the stand.

The Chair directs each one of you to examine that document and state whether or not you identify it.

(A document was handed to the witnesses.)

The CHAIRMAN. Starting on my left, have you examined that document?

Mr. SANTA MARIA. I refuse to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. I asked you if you had examined the document.

Mr. SANTA MARIA. I refuse to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. You are ordered and directed to answer the question, because you are doing that right here in the presence of the committee.

Mr. SANTA MARIA. I refuse to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. With the permission of the committee the Chair orders and directs you to answer the question whether you have examined that document in accordance with the orders and direction of the Chair.

(The witness Santa Maria conferred with his counsel.)

Mr. SANTA MARIA. Yes; I examined it.

The CHAIRMAN. Pass it on to the buddy on your left.

Mr. COSENTINO. I have examined the document, and I decline to answer on the grounds that it may tend to incriminate me.

The CHAIRMAN. All right. Let the other one see it.

Mr. REISS. I have examined the document and I refuse to answer on the grounds that it may possibly tend to incriminate me.

The CHAIRMAN. Was that charter issued and did you become, the three of you become, officers of that union upon the issuance of the charter?

Mr. SANTA MARIA. I refuse to answer on the ground it might tend to incriminate me.

Mr. COSENTINO. I refuse to answer the question as it may tend to incriminate me.

Mr. REISS. I refuse to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. Mr. Chairman, we have the documents here on their application for the charter of 284, which I would like to get into the record. Their names are listed as eligible to vote in the election for joint council 16.

The CHAIRMAN. Present this document to the witnesses.

It is an application for a charter for local 284. Their names appear on it as Harry Reiss, David Cosentino, and Arthur Santa Maria.

Present it to each one of the witnesses.

(The document was handed to the witnesses.)

The CHAIRMAN. The other document just presented to the witnesses will be made exhibit No. 50.

(The document referred to was marked "Exhibit No. 50" for reference and will be found in the appendix on p. 4447.)

The CHAIRMAN. Mr. Santa Maria, did you examine the document?

Mr. SANTA MARIA. I examined it; yes, sir.

The CHAIRMAN. Do you identify it?

(The witness Santa Maria conferred with his counsel.)

Mr. SANTA MARIA. I refuse to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Do you see your name on it?

(The witness Santa Maria conferred with his counsel.)

Mr. SANTA MARIA. I refuse to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Can you read your own name?

Mr. SANTA MARIA. I refuse to answer on the grounds that it may tend to incriminate me.

The CHAIRMAN. It is the first time I ever heard of a fellow having enough education to read and recognize his own name being something that might incriminate him if he admitted it. We are seeing such things for the first time.

All right. We will go to Mr. Cosentino.

Mr. COSENTINO. I examined the document, and I refuse to answer as it may tend to incriminate me.

The CHAIRMAN. Has it got your name on it?

Mr. COSENTINO. I refuse to answer the question as it may tend to incriminate me.

The CHAIRMAN. Can you read your own name?

Mr. COSENTINO. I refuse to answer the question as it may trend to incriminate me.

The CHAIRMAN. Do you want to go through the same routine, Mr. Reiss?

Take a look at it.

Mr. REISS. I have examined the document, sir. I refuse to answer the question on the ground that it may possibly tend to incriminate me.

The CHAIRMAN. Can you read?

Mr. REISS. I refuse to answer the question on the grounds that it may possibly tend to incriminate me.

The CHAIRMAN. Don't you think that is very ridiculous, to take the position that you can't read your own name or would not admit that you can? Do you know how to get more ridiculous than that, either of you?

Mr. REISS. Is that a question?

The CHAIRMAN. Yes.

Mr. REISS. I refuse to answer the question on the ground it may possibly tend to incriminate me.

The CHAIRMAN. Senator Mundt?

Senator MUNDT. I have a question for the counsel that Senator Goldwater asked me to put because he was called over to the floor of the Senate. I would like to inquire of the counsel whether he is here in the capacity of a lawyer on the retainer of the union or whether he is up here representing these individuals personally.

Mr. REICH. Senator, up until a few moments ago, I honestly couldn't say. When this investigation began, of course, it began of a local union which I represented, and I was called in that connection.

Insofar as this line of testimony seems to have developed, however, it would appear to me at this stage to deal with these people as individuals, and, as such, any bill which I submit for the services rendered in connection with these hearings will be submitted to these individuals.

(Members of the select committee present at this point in the proceedings: Senators McClellan, Ives, and Mundt.)

Senator MUNDT. And to be paid by them personally rather than from union funds?

Mr. REICH. Yes, Senator.

Senator MUNDT. Mr. Counsel, were you not representing these same individuals when they appeared before the regular Senate Permanent Subcommittee on Investigations? Did I not see you with them at that time?

Mr. REICH. I believe you did, Senator, but my recollection is that only two of them appeared, I believe.

Senator MUNDT. Only two of them?

Mr. REICH. That is my present recollection.

Senator MUNDT. I think you are right. The one on the left and the one on the right.

Mr. REICH. That is my recollection.

Senator MUNDT. At that time, did you represent them personally or as an attorney for the union?

Mr. REICH. At that time the situation was similar. The investigation pertained to the union. I have not, however, Senator, received 1 cent from the union or from any union with which any of them at any time were connected in connection with such appearance.

Senator MUNDT. Have you submitted a bill for your services and expenses on that trip?

Mr. REICH. I have not. My expenses were paid at that time, sir.

Senator MUNDT. By the men individually or by the union?

Mr. REICH. As to that I couldn't say. I believe my best recollection is I was furnished with an airline ticket, and the hotel bill and incidental expenses, I believe, were on an individual credit card or a credit card in the name of one individual.

Senator MUNDT. Thank you.

The CHAIRMAN. The application for charter that was presented to the witnesses who stated they examined it and then refused to testify further, will be made exhibit No. 51.

(The document referred to was marked "Exhibit No. 51" for reference and will be found in the appendix on p. 4448.)

The CHAIRMAN. The Chair now presents to the witnesses a photostatic copy of a letter on stationery of Warehouse and Processing Employees Union, Local 284, dated November 29, 1955, addressed to the International Brotherhood of Teamsters, Joint Council 16, 205 West 14th Street, New York City, and signed by the secretary-treasurer of that local, whose name is illegible to me here. Apparently it is signed by the witness Harry Reiss, as secretary-treasurer.

I present that to each of the three witnesses and ask them to examine it and see if they identify it.

(Document was handed to the witnesses.)

The CHAIRMAN. Have each of you examined it?

Have you, Mr. Santa Maria?

Mr. SANTA MARIA. Yes, sir.

The CHAIRMAN. Do you identify it?

Mr. SANTA MARIA. I refuse to answer on the ground that it may tend to incriminate me.

The CHAIRMAN. All right, Mr. Cosentino.

Mr. COSENTINO. I have examined the document. I refuse to answer as it may tend to incriminate me.

The CHAIRMAN. All right, Mr. Reiss, let's hear you.

Mr. REISS. I have examined the document and I refuse to answer the question on the grounds that it may possibly tend to incriminate me.

The CHAIRMAN. Would either of you like to accommodate the committee by reading the letter in the record for us?

I give you the opportunities.

Do either of you care to read the letter into the record?

(Witnesses conferred with their counsel.)

Mr. REISS. I will defer to the Senator.

The CHAIRMAN. I beg your pardon?

Mr. REISS. I will defer to you, Senator.

The CHAIRMAN. All right. It may incriminate you. I am going to read it.

It may be made exhibit No. 52.

(The document referred to was marked "Exhibit No. 52" for reference and will be found in the appendix on p. 4449.)

The CHAIRMAN. As the Chair indicated a moment ago, this is a letter on the stationery of Warehouse and Processing Employees Union, Local 284, dated November 29, 1955, to International Brotherhood of Teamsters, Joint Council 16, 205 West 14th Street, New York City, N. Y.

DEAR SIR AND BROTHER: Listed below you will find the names of the officers of local union 284 and the titles of the offices to which they are assigned.

Harry Reiss, financial secretary-treasurer; David Cosentino, president; Dominick Santa Maria, vice president; Milton Linden, recording secretary; Vito Bochicchio, trustee; Fred Virgilio, trustee; Harold Culbert, trustee.

They request to be seated as delegates to joint council 16.

Fraternally yours,

Secretary-Treasurer.

And the best I can tell it is signed by you, Mr. Reiss. I don't want to say it is unless I know it.

Would you help us?

Is this signed by you?

Mr. REISS. I refuse to answer the question on the ground it may possibly tend to incriminate me.

The CHAIRMAN. All right. We will let it speak for itself.

Mr. KENNEDY. Shortly afterward, Mr. Chairman, they wrote a letter, again signed by Harry Reiss, secretary-treasurer, wrote a letter to joint council 16, giving the names of those eligible to vote in the joint council election.

The CHAIRMAN. I present to you the photostatic copy of the letter to which counsel just referred, and ask you to examine it and state if you identify it.

That letter should be directed to Mr. Reiss. Give him the document. It is apparently his signature.

(A document was handed to witness Reiss.)

(Members of the select committee present at this point were, Senators McClellan, Ives, Kennedy, and Mundt.)

The CHAIRMAN. Do you recognize that, Mr. Reiss?

Mr. REISS. I have examined the document, sir, and I refuse to answer the question on the grounds that it may possibly tend to incriminate me.

The CHAIRMAN. The document will be made exhibit No. 53.

(The document referred to was marked "Exhibit No. 53" for reference and will be found in the appendix on p. 4450.)

The CHAIRMAN. The Chair will read it into the record.

First, present it to the others. They may be more accommodating. Maybe they know something about it.

All right, Mr. Cosentino, you have seen the letter, have you?

Mr. COSENTINO. I have examined the document and I refuse to answer. It may tend to incriminate me.

The CHAIRMAN. Mr. Santa Maria?

Mr. SANTA MARIA. I have examined the document.

The CHAIRMAN. Did you stop there? Did you identify it mentally as you examined it?

Mr. SANTA MARIA. I refuse to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. All right. Let us read it into the record.

This is on Warehouse and Processing Employees Union Local 284 stationery, dated February 2, 1956, Joint Council 16, International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, 365 West 14th Street, Room 709, New York 11, N. Y.:

DEAR SIR AND BROTHER: This is in reply to your letter of January 19, 1956. We give you below a list of the officers of our local union who are eligible to vote in the joint council election:

David Cosentino, president; Dominick Santa Maria, vice president; Harry Reiss, secretary-treasurer; Milton Linden, recording secretary; Vito Bochicchio, trustee; Fred Virgilio, trustee; Harold Culbert, trustee.

Faternally yours,

HAROLD REISS, *Secretary-Treasurer*.

and it bears a signature purporting to be that of Harry Reiss.

I am sure you would not mind telling us, each of you, whether you attended the joint council in accordance with this eligibility as here certified.

Did you attend the joint council, Mr. Santa Maria?

Mr. SANTA MARIA. I refuse to answer on the grounds that it may tend to incriminate me.

The CHAIRMAN. Mr. Cosentino? Would you accommodate us by giving us that information?

Mr. COSENTINO. I decline to answer on the ground that it may tend to incriminate me.

The CHAIRMAN. Mr. Reiss, would you help us out?

Mr. REISS. I refuse to answer the question on the ground it may possibly tend to incriminate me.

The CHAIRMAN. Did you attend that meeting of joint council 16; either of you?

Mr. SANTA MARIA. I refuse to answer on the ground it may tend to incriminate me.

Mr. COSENTINO. I decline to answer as it may tend to incriminate me.

Mr. REISS. I refuse to answer the question on the ground that it may possibly tend to incriminate me.

The CHAIRMAN. Did you attend that meeting and vote under instructions from John O'Rourke? The question is directed to each of you.

Mr. SANTA MARIA. I refuse to answer on the ground that it may tend to incriminate me.

Mr. COSENTINO. I decline to answer. It may tend to incriminate me.

Mr. REISS. I refuse to answer on the ground that it may possibly tend to incriminate me.

The CHAIRMAN. I have here a certificate as to David Cosentino and Harry Reiss.

Mr. KENNEDY. Just two of them voted, Mr. Chairman.

The CHAIRMAN. Just two of them voted?

I will present you with these two documents, each dated February 2, 1956, both addressed to the joint council. They are identical. They are signed by Harry Reiss, secretary-treasurer, and they state:

This will certify that the bearer, David Cosentino, is an executive board member of our local union 284 and is eligible to vote in the joint council election.

A similar document, identical except it says that, the—

bearer, Harry Reiss, is entitled to vote in the joint council election—

and those are signed by Harry Reiss.

Examine those documents, Mr. Cosentino and Mr. Reiss, and see if you recognize them.

(The documents were handed to the witnesses.)

The CHAIRMAN. You can start, Mr. Reiss.

Mr. REISS. I have examined the document, and I refuse to answer the question on the ground it may possibly tend to incriminate me.

Mr. COSENTINO. I examined the document, and I refuse to answer, as it may tend to incriminate me.

The CHAIRMAN. The one addressed to Mr. Reiss himself by himself may be made exhibit 54, and the other one, to Mr. Cosentino, may be made 54-A.

(The documents referred to were marked "Exhibits Nos. 54 and 54-A" for reference and will be found in the appendix on pp. 4451-4453.)

The CHAIRMAN. Is there anything further on these witnesses?

Mr. KENNEDY. We have some background information that I would like to put into the record in a moment, but we also have the information that we had yesterday, that was developed in the testimony yesterday, with the witness Stanley Lehrer, who was the counsel for the Auto Glass Dealers Association.

According to his testimony, the contract was made with local No. 227, which these gentlemen represent, and, according to his testimony, Mr. Reiss, the president of the local, suggested to Mr. Lehrer that he contact Johnny Dioguardi, and that Johnny Dio could arrange it for him so that there would be no jurisdictional strikes, that no other union would come in and interfere with the UAW-AFL.

I would like to ask Mr. Reiss for any facts or any information that he might have on that.

Mr. REISS. I refuse to answer the question on the grounds that it may possibly tend to incriminate me.

The CHAIRMAN. You think doing Johnny Dio a favor would incriminate you, by sending him some business?

Mr. REISS. I refuse to answer the question on the ground that it may possibly tend to incriminate me.

Mr. KENNEDY. Mr. Lehrer also testified that it was a "soft" or "sweetheart" contract that was signed by Mr. Reiss and by the gentleman from local No. 227, Mr. Chairman.

Do you have any comment on that?

Mr. REISS. I refuse to answer the question on the ground that it may tend to incriminate me.

Mr. KENNEDY. And that approximately 50 percent of the shops that were signed up at that time were self-owned shops that Mr. Reiss and Mr. Santa Maria and Mr. Cosentino went to an organization where the shops were self-owned and the people were self-employed.

Do you have any comment on that?

Mr. REISS. I refuse to answer the question on the ground that it may possibly tend to incriminate me.

The CHAIRMAN. He also testified that for a 3-year contract, it costs a one-man shop, with no employees \$190.

Did you exact that much out of them?

Mr. REISS. Sir, would you repeat that question, please?

The CHAIRMAN. I said he also testified that the very minimum for a one-man shop, where he had no employees for the period of 3 years, including initiation fee and the dues, it cost the shop owner \$190. Do you want to deny it?

Mr. REISS. I refuse to answer the question on the ground it may possibly tend to incriminate me.

The CHAIRMAN. Did you exact that much out of one shop?

Mr. REISS. I refuse to answer the question on the ground it may possibly tend to incriminate me.

Senator IVES. Mr. Chairman?

The CHAIRMAN. Senator Ives.

Senator IVES. Before I get through with his, I would like to ask the attorney some questions.

Mr. REICH. Now, Senator?

The CHAIRMAN. We will do that in just a moment, Senator.

Mr. KENNEDY. We have information that Mr. Reiss was born in Austria on February 7, 1912, is that right, Mr. Reiss?

Mr. REISS. I refuse to answer the question on the ground it may possibly tend to incriminate me.

Mr. KENNEDY. And that you never took out citizenship in this country?

Mr. REISS. I refuse to answer the question on the ground it may possibly tend to incriminate me.

The CHAIRMAN. May I ask, were you born somewhere, if not in Austria?

Mr. REISS. I refuse to answer the question on the ground it may possibly tend to incriminate me.

Mr. KENNEDY. Article II, section IV of the teamsters national constitution requires that to hold office in either a local or international, the individual must be a citizen of the country in which the local is situated.

Are you familiar with that article of the teamster constitution?

Mr. REISS. I refuse to answer the question on the ground that it may possibly tend to incriminate me.

Mr. KENNEDY. We also have information that you were known by 2 or 3 other names, Mr. Reiss, is that right?

Mr. REISS. I refuse to answer the question on the ground that it might possibly tend to incriminate me.

Mr. KENNEDY. On Mr. Cosentino, we have information that he was arrested 2 or 3 times on bookmaking prior to the time he came into the labor field.

Is that right, Mr. Cosentino?

Mr. COSENTINO. I decline to answer that question as it may tend to incriminate me.

Mr. KENNEDY. 1944, 1949, and 1951; is that right?

Mr. COSENTINO. I decline to answer as it may tend to incriminate me.

Mr. KENNEDY. For Mr. Santa Maria, Mr. Chairman, we have information that he was arrested 6 or 7 times for bookmaking prior to the time that he became interested in the union deal.

Is that right, Mr. Santa Maria?

Mr. SANTA MARIA. I refuse to answer on the ground it may tend to incriminate me.

Mr. KENNEDY. And, Mr. Chairman, the procedure that was followed particularly by Mr. Santa Maria and his brother, Dominick Santa Maria, was to make out checks while they had local 227, to individuals that did not exist or to individuals that never did any work and charge it to the books as organizational expenses, forge the name of the individual on the checks, have it cashed and put the money in their pockets.

They have been indicted, as was pointed out before, for larceny and forgery and the amounts are approximately \$22,000 that they took from local 227 of the UAW-AFL.

The CHAIRMAN. Do you want to deny that, either of you?

Mr. SANTA MARIA. I refuse to answer on the ground it may tend to incriminate me, Mr. Chairman.

The CHAIRMAN. I see. Thank you.

Does anyone else want to speak?

Mr. COSENTINO. I decline to answer as it may tend to incriminate me.

The CHAIRMAN. May I ask you witnesses this question. Mr. Santa Maria, do you know Mr. Cosentino sitting to your left and also Mr. Reiss? Do you know those two?

Mr. SANTA MARIA. I refuse to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. I think each one should be given a chance.

Mr. Cosentino, would you say that you know Mr. Santa Maria and Mr. Reiss?

Mr. COSENTINO. I decline to answer the question as it may tend to incriminate me.

The CHAIRMAN. It is your turn, Mr. Reiss.

Do you know either of the other two?

Mr. REISS. I decline to answer the question on the ground that it may possibly tend to incriminate me.

Senator MUNDT. Mr. Chairman?

The CHAIRMAN. Senator Mundt, pardon me, Senator Ives had a question.

Senator IVES. I want to ask the counsel a question.

The CHAIRMAN. Let us finish with the witness first.

Senator Mundt?

Senator MUNDT. You asked Mr. Reiss whether or not he is an American citizen. We know from the record that he is not. He said that to answer the question might tend to incriminate him.

I would like to ask that same question of these other two witnesses, because in the absence of any other information, we have reason to believe that they are American citizens.

I would like to ask Mr. David Cosentino this question: Are you a citizen of the United States?

Mr. COSENTINO. I decline to answer as it may tend to incriminate me.

Senator MUNDT. Mr. Chairman, I suggest on that one that you order and direct him to do it, because I would be curious to know how the Supreme Court might rule on a question of this kind.

I have never before believed that being an American citizen is grounds for self-incrimination.

It is a pertinent question because it relates to a position in the labor union. If, in fact, he is an American citizen, he has no grounds whatsoever for declining to answer under the fifth amendment.

The CHAIRMAN. And also on the basis that the constitution of the union requires that.

Senator MUNDT. Precisely. The charter of the union requires it. If we can establish the fact that he is an American citizen, he has no constitutional grounds to take refuge in the fifth amendment.

The CHAIRMAN. The question is directed to you, Mr. Cosentino. Are you an American citizen?

Mr. COSENTINO. Yes; I am.

The CHAIRMAN. The same question is directed to you, Mr.—

Senator MUNDT. Arthur Santa Maria, I will ask you the same question. Are you an American citizen?

Mr. SANTA MARIA. I am; definitely.

Senator MUNDT. You are?

Mr. SANTA MARIA. Yes.

Senator MUNDT. Well, I got a couple of answers. I should keep on trying.

The CHAIRMAN. Mr. Reiss, do you want to join the folks and tell us whether you are an American citizen or not?

Mr. REISS. I refuse to answer the question on the grounds that it may possibly tend to incriminate me.

Mr. KENNEDY. Mr. Chairman, when I spoke about the \$22,000 and brought these gentlemen's names in, I meant to point out Mr. Arthur Santa Maria and Mr. Dominick Santa Maria and Mr. Cosentino. but we have no information on Mr. Reiss himself in connection with this.

The CHAIRMAN. All right.

Senator Ives, do you wish to interrogate counsel?

Senator IVES. Mr. Reich, as I understand, you are the attorney for the labor union itself, 227; is that correct?

Mr. REICH. I was, Senator.

Senator IVES. Are you now or are you not?

Mr. REICH. I don't believe at the moment there is any local 227, Senator.

Senator IVES. Are you the attorney for 284?

Mr. REICH. I have so been informed. As far as money is concerned, if that is the criterion, then I am not, Senator.

Senator IVES. What I am driving at is: Are you doing anything to represent the workers, the members of 284?

Mr. REICH. Senator, I can answer the question in this manner: All the work that I have ever done for local 227 or local 284 consists principally of advising and, on occasion, attending, with respect to matters before either the New York State Labor Relations Board or the National Labor Relations Board or the New York State Board of Mediation, or with respect to questions which are put to me by officers of this union or any other union with respect to the legal aspects of certain—

Senator IVES. Then you were representing the members of the union itself?

Mr. REICH. I believe so, Senator.

Senator IVES. You are also representing these gentlemen that are here today, are you not, these officials of the union?

Mr. REICH. As I pointed out before, and I do not recall whether you were in the room or not, Senator, in answer to a question put to me by Senator Mundt, that the way matters developed here, I apparently am representing them, and I so stated individually, here.

Senator IVES. I don't know whether Senator Mundt asked you the question I am about to ask you or not, because apparently these gentlemen have records that are not too savory, or at least they are trying to cover them up very nicely.

It occurs to me you have a conflict of interest, have you not? You are representing the members of the union itself, you have been representing them, and you are, actually speaking, at the same time representing these officials who are trying to rob the members of the union, or have been. How do you account for that?

Mr. REICH. Senator, I think the question of conflict of interest, when, as and if the question arises, is something that each attorney must resolve in his own mind, with the guidance of his own conscience. I say to you that in this particular matter, being before a senatorial committee, where the ostensible and actual purpose, as the law sets forth, is to help the committee to gather whatever facts it can in order that this committee may be guided in recommending legislation or remedial action—I say that in this forum, sir, as I see it, there is no conflict of interest between any witness who appears and anyone else.

Senator IVES. May I interrupt you there?

Mr. REICH. Yes, Senator.

Senator IVES. I do not know what information you have helped the committee get prior to now. I was called away this morning and was not able to attend most of the session this morning. Were you on the stand this morning?

The CHAIRMAN. He was representing someone.

Senator IVES. You may have helped the committee give us some information this morning. I do not know.

But in advising witnesses to take the fifth amendment, you certainly are not helping the committee get any information of any great value to it.

Mr. REICH. Senator, it seems to me that my position or that of any other attorney is not, in effect, to advise a witness to take the fifth amendment, but to apprise the witness of what the fifth amendment

means and when it is applicable, and whether it should be taken in a given situation if the witness feels that there is a danger against which the Constitution permits him to guard himself by invoking the fifth amendment.

I believe, sir, that I have never gone beyond that point. The decision, I think the law requires that decision.

Senator IVES. I do not want to argue with you about that, but in doing that, you are not helping the committee very much. That is what I am driving at.

Mr. REICH. I am not representing the committee, Senator, I am helping these individuals.

Senator IVES. You are telling us how you are helping the committee.

Mr. REICH. No, I say that all individuals who appear before this committee are to some degree helping the committee, because the mere appearance of these individuals gives you the opportunity to put into the record certain matters, to spread it on the record.

Senator IVES. And we are taking advantage of that.

Thank you.

Senator KENNEDY. I would hope the CIO-AFL ethical practices committee have been attempting to do something about improper practices in the union.

I would hope, too, that the bar association will, and I am not making any reference to the present situation, because I do not know all the facts. We have seen in a number of cases these lawyers representing employers or employees who have not confined themselves to merely advising their clients of their legal rights, but have been associated in a number of these improper practices. We have had Herman Cooper in the bakers, Joe Jacobs in the textile workers, Mr. Bassett, with the teamsters, and Mr. Alphonse Landa, representing Fruehauf, who was going to make a split with Mr. Beck.

I do not know if the bar associations in these States have taken action in these cases, but I hope that the respective bar associations are getting the texts of these hearings and will consider whether the lawyers in these cases are meeting their responsibilities to the bar.

It seems to me that the AFL is attempting to do it under some difficulty.

It seems to me that with the attention that the lawyers receive, that the bar association should study very carefully whether they are meeting their responsibility as an officer of the court and as a representative of the court in various States.

The CHAIRMAN. The witnesses will remain under their present subpoena, subject to recall.

I ask that each one of you acknowledge that recognizance for the record. You will be given reasonable notice of time to appear when the committee may need your presence again.

Mr. SANTA MARIA. Thank you.

The CHAIRMAN. Just a moment. Acknowledge this direction and order and agree to comply with it.

Mr. SANTA MARIA. Yes, sir.

Mr. REISS. Senator, none of us have been subpoenaed, but we appeared here on a telegram, and we will appear in the future whenever you wish to have us here.

The CHAIRMAN. With that understanding, you may stand aside. Call the next witness.

(Members present at this point : Senators McClellan, Ives, Kennedy, and Mundt.)

Mr. KENNEDY. Mr. Hermanson.

The CHAIRMAN. Will you be sworn?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HERMANSON. I do.

TESTIMONY OF MERRILL HERMANSON

The CHAIRMAN. State your name, your place of residence, and your business or occupation, please.

Mr. HERMANSON. Merrill Hermanson. I live at 12 Willow Lane, Scarsdale, N. Y. I am associated with Flowerized Presentations, at 3600 Jerome Avenue, New York.

The CHAIRMAN. Thank you very much.

I see you do not have counsel. Do you waive counsel?

Mr. HERMANSON. Yes.

The CHAIRMAN. Proceed.

Mr. KENNEDY. You have a company called Flowerized Presentations?

Mr. HERMANSON. Yes.

Mr. KENNEDY. Where is that?

Mr. HERMANSON. 3600 Jerome Avenue, New York.

Mr. KENNEDY. How many employees do you have?

Mr. HERMANSON. At present? Around 100.

Mr. KENNEDY. It is a flower shop?

Mr. HERMANSON. Actually, we do some flowerwork. We also specialize mainly in Christmas home decorations.

Mr. KENNEDY. Christmas home decorations?

Mr. HERMANSON. Yes.

(At this point, the chairman withdrew from the hearing room.)

Mr. KENNEDY. Have you had 100 employees for the last 2 or 3 years?

Mr. HERMANSON. Well, we are at the peak of our season now.

Normally, we run 40 to 50.

Mr. KENNEDY. During the period of 1954, did you meet Mr. Bitz?

Mr. HERMANSON. Yes.

Mr. KENNEDY. Mr. Irving Bitz?

Mr. HERMANSON. Yes, I did.

Mr. KENNEDY. How did you meet Mr. Irving Bitz?

Mr. HERMANSON. Through a gentleman who was attempting to sell me life insurance.

(At this point, Senator Mundt withdrew from the hearing room.)

Mr. KENNEDY. What was his name?

Mr. HERMANSON. Milton Rosen.

Mr. KENNEDY. And Milton Rosen introduced you to Irving Bitz?

Mr. HERMANSON. That is correct.

Mr. KENNEDY. For what reason did he introduce you to Irving Bitz?

Mr. HERMANSON. Well, at the time he called my home, I had never met Mr. Rosen, and he spoke to my wife. He said that he was soliciting insurance. My wife said, "Well, I don't think my husband would be interested in any life insurance at this time. He has a labor situation, and I just think he is too busy."

So he said, "Well, have your husband get in touch with me. Maybe I can be of some help to him."

At that time; I was interested in any assistance I could get.

Mr. KENNEDY. What period of time was this?

Mr. HERMANSON. I believe it was somewhere around June of 1954.

(Select committee members present at this point in the proceedings were Senators Ives and Kennedy.)

Mr. KENNEDY. June of 1954 or June of 1955?

Mr. HERMANSON. Possibly 1955. I guess 1955. That is correct.

Mr. KENNEDY. June of 1955?

Mr. HERMANSON. That is correct.

Mr. KENNEDY. Did you call Mr. Rosen and talk to him?

Mr. HERMANSON. Yes; I did.

Mr. KENNEDY. What did he suggest to you?

Mr. HERMANSON. He said he had a friend who was familiar with the labor market, and that possibly he may be able to give me some advice.

Mr. KENNEDY. And then you met Irving Bitz?

Mr. HERMANSON. That is correct.

Mr. KENNEDY. Did you know who Irving Bitz was at the time?

Mr. HERMANSON. No, sir; I didn't.

Mr. KENNEDY. Have you learned since then?

Mr. HERMANSON. I know very little about Irving Bitz even at this time.

Mr. KENNEDY. What did Mr. Bitz say to you that he could do?

Mr. HERMANSON. Well, he asked me the situation as to our business and said he would make some inquiries as to what might be done to straighten out our situation.

Mr. KENNEDY. What was your situation that needed to be straightened out?

Mr. HERMANSON. There was an attempt to organize our shop in progress, and we were unable to get deliveries, we were unable to ship from our factory, and we were having quite a bit of difficulty continuing our operation because of that.

Mr. KENNEDY. Then did Mr. Bitz say that he could do something for you?

Mr. HERMANSON. He was unable to assist me.

Mr. KENNEDY. He said he was unable to assist you?

Mr. HERMANSON. Yes.

Mr. KENNEDY. At that time, who was trying to organize you?

Mr. HERMANSON. I don't know the number or name of the union.

Mr. KENNEDY. Was it the doll and toy workers?

Mr. HERMANSON. I think that is correct.

Mr. KENNEDY. Local 139?

Mr. HERMANSON. I don't know that, but I remember a name of Milton Gordon.

Mr. KENNEDY. I believe, Mr. Chairman, that was Local 139 of the Doll and Toy Workers Union of America.

Did you get in touch with Mr. Bitz after that?

Mr. HERMANSON. I believe I saw him a couple of times, but he was of no assistance.

(At this point the chairman entered the hearing room.)

Mr. KENNEDY. Did he introduce you to anyone or arrange for anyone else to help you?

Mr. HERMANSON. At that time he did not.

Mr. KENNEDY. Shortly afterwards did he?

Mr. HERMANSON. No; not in connection with the organization work.

Mr. KENNEDY. Well, you did not know that Mr. Bitz was a notorious hoodlum and was a member of the Lepke-Gurrah mob?

Mr. HERMANSON. I did not. I still don't know that.

Mr. KENNEDY. And that he was an associate of the late Dutch Schultz? Did you know that?

Mr. HERMANSON. No, sir.

Mr. KENNEDY. And "Legs" Diamond? Did you know he was an associate of his?

Mr. HERMANSON. I know nothing about Mr. Bitz' background.

(At this point Senator Ives withdrew from the hearing room.)

Mr. KENNEDY. After you had these preliminary talks with him, did he subsequently introduce you to anyone or arrange for anyone to help you out?

Mr. HERMANSON. Yes. After the labor situation was settled, we were having some difficulty getting material from a supplier who was doing some work for us and who had some of our material. We arranged with the supplier that we pick up the work and material, and we arranged to do this late at night so we would not encounter any resistance.

Mr. KENNEDY. Do you mean one of your suppliers was having trouble?

Mr. HERMANSON. That is right.

Mr. KENNEDY. You wanted to pick up your material and you decided to do it late at night so you wouldn't have any trouble?

Mr. HERMANSON. That is right.

Mr. KENNEDY. Did you speak to Mr. Bitz about that?

Mr. HERMANSON. Yes.

Mr. KENNEDY. Did he say he could arrange it so you would not have any trouble?

Mr. HERMANSON. Well, he felt that it would be better if someone supervised our work so that we didn't have any trouble. It never occurred to me, frankly, that we would.

Mr. KENNEDY. And did he arrange to have somebody supervise you?

Mr. HERMANSON. He called someone. At the time, the name was Johnny. That is the only name I heard. Two men were sent down that evening and we removed the material without incident.

Mr. KENNEDY. The two men were sent down by Johnny, and you were able to get your material out of there without any incident?

Mr. HERMANSON. That is correct.

Mr. KENNEDY. Nobody bothered you?

Mr. HERMANSON. No one bothered me.

Mr. KENNEDY. Did you talk to Johnny after that? Did he come down personally?

Mr. HERMANSON. No.

Mr. KENNEDY. He sent two people down?

Mr. HERMANSON. Yes.

Mr. KENNEDY. And did you talk to him? Did you meet him afterward, this Johnny?

Mr. HERMANSON. Some several months later I did; yes.

Mr. KENNEDY. How did you happen to meet him?

Mr. HERMANSON. Mr. Bitz thought I may want to thank the man who had done us the favor, and he arranged the meeting and introduced me to Johnny, who later turned out to be Mr. Dio.

Mr. KENNEDY. That was Johnny Dio?

Mr. HERMANSON. Yes.

Mr. KENNEDY. And Bitz introduced you to him so that you could thank him for sending the two fellows down that night?

Mr. HERMANSON. Correct.

Mr. KENNEDY. Did you thank him?

Mr. HERMANSON. That is right.

Mr. KENNEDY. Did you decide that you would see each other again, or what arrangements were made?

Mr. HERMANSON. Well, I asked him if I owed anything for the favor. I was prepared to pay for the services. He said that there was no charge, and that he felt that possibly we might need some guidance in dealing with labor in the future, and that he possibly could give us some advice and avoid some of the difficulties we had encountered because of our inexperience.

Mr. KENNEDY. You were still nonunion at that time?

Mr. HERMANSON. That is right.

Mr. KENNEDY. And you were anxious not to have any union come in during this period of time?

Mr. HERMANSON. I wouldn't say that.

Mr. KENNEDY. You were not anxious to have a union? You weren't looking for a union?

Mr. HERMANSON. Well, I think that is a decision of the people in our shop.

Mr. KENNEDY. Did you sign a contract with Mr. Dio?

Mr. HERMANSON. Yes; we did.

Mr. KENNEDY. What were the arrangements of the contract?

Mr. HERMANSON. Mainly that he would represent us if we had any labor problems. The contract specified the fee to be paid for this representation.

Mr. KENNEDY. Mr. Chairman, that is a copy of the contract.

The CHAIRMAN. Will you examine the document the Chair passes to you and state whether you identify it?

(A document was handed to the witness.)

Mr. HERMANSON. That is right.

The CHAIRMAN. What is it?

Mr. HERMANSON. This is a copy of the contract, our copy.

The CHAIRMAN. Your copy of the contract between whom?

Mr. HERMANSON. Flowerized Presentations, and Equitable Research.

The CHAIRMAN. Who signed for Equitable Research?

Mr. HERMANSON. Johnny Dioguardi, as vice president.

The CHAIRMAN. That document, or a copy of it, may be made exhibit 55.

(The document referred to was marked "Exhibit 55," for reference and will be found in the appendix on pp. 4453-4454.)

Mr. KENNEDY. I think the first paragraph pretty well sums up the terms of the contract. May I read that, Mr. Chairman?

The CHAIRMAN. Yes.

Mr. KENNEDY. It is dated March 22, 1956.

Gentlemen, you are hereby authorized to enter into negotiations on our behalf with such local union designated as, or which claims to be the representative bargaining agent for, our employees. This organization as aforesaid shall constitute you as our sole representative at such negotiations. In connection with all such negotiations, you may name, designate, or employ any person or persons to operate with you at your own cost or expense, all of which shall be considered a part of services to be rendered. In connection with the foregoing, we agree to be or have a member of our firm available at all times for conferences with your representative, or at such places as are designated by you.

That is signed by you.

The contract was to be signed by you as representing Flowerized Presentations and it was endorsed by him, Johnny Dioguardi?

Mr. HERMANSON. That is right.

Mr. KENNEDY. And the financial arrangements were that you would pay \$150 on the first of each and every month?

Mr. HERMANSON. That is right.

Mr. KENNEDY. With the understanding that as an alternative you would pay 2 percent of your gross payroll, whichever was greater?

Mr. HERMANSON. That is right.

Mr. KENNEDY. What has turned out to be greater?

Mr. HERMANSON. Well, on the first year of the contract, the fee was just about right. I think we owed Equitable about \$35 or \$40 that day.

Mr. KENNEDY. So you paid them for the first year about \$1,800?

Mr. HERMANSON. It is about \$1,800.

Mr. KENNEDY. Approximately \$1,800?

Mr. HERMANSON. Yes.

Mr. KENNEDY. After you signed this contract in 1956, with Equitable, did you have anybody come around to try to organize you?

Mr. HERMANSON. I was told that there were several men who had come around; yes.

Mr. KENNEDY. And did—

Mr. HERMANSON. I didn't personally see them.

Mr. KENNEDY. What happened to those men who came around?

Mr. HERMANSON. Our factory manager said that we were being represented by Equitable Research, and suggested that they contact them.

Mr. KENNEDY. When the representatives of these unions came around, your factory manager told them that you were represented by Equitable Research, and suggested that they talk with Johnny Dio; is that right?

Mr. HERMANSON. Well, yes; that is right.

Mr. KENNEDY. Did you ever see them again? Did they ever come back?

Mr. HERMANSON. I didn't; no.

Mr. KENNEDY. Do you know if any of these people came back a second time?

Mr. HERMANSON. I did not hear that they came back.

Mr. KENNEDY. Did you ever hear that they did come back a second time?

Mr. HERMANSON. No, sir.

Mr. KENNEDY. You are still unorganized?

Mr. HERMANSON. That is right.

Mr. KENNEDY. Did he perform any other service for you?

Mr. HERMANSON. Some minor incident, where we had a problem of waste removal from our factory in New Rochelle.

Mr. KENNEDY. You had a factory in New Rochelle?

Mr. HERMANSON. That is right.

Mr. KENNEDY. And you had a garbage collector? A waste remover?

Mr. HERMANSON. They prefer that name.

Mr. KENNEDY. A waste remover?

Mr. HERMANSON. That is right.

Mr. KENNEDY. Would you tell the committee what happened on that?

Mr. HERMANSON. Well, we had started out in New Rochelle with a small factory and gradually built up. It seemed that periodically we were asked to increase our rate.

Mr. KENNEDY. To the waste remover?

Mr. HERMANSON. That is right.

Mr. KENNEDY. He would come by every month or so to increase the rate?

Mr. HERMANSON. That is right. There had been several increases and we felt that it had reached the point where the value exceeded the waste.

Mr. KENNEDY. So did you try to remove your own garbage, then?

Mr. HERMANSON. Yes, we did.

Mr. KENNEDY. Did you employ people to remove it?

Mr. HERMANSON. We tried to have several truckmen who did general hauling for us to take the waste of the New Rochelle—

Mr. KENNEDY. Did these independent haulers report back to you after they had hauled it for a few days, did they report back to you that it had been suggested to them that they not haul it any more?

Mr. HERMANSON. That is right.

Mr. KENNEDY. So they refused to haul it, is that right?

Mr. HERMANSON. That is right.

Mr. KENNEDY. Then did you borrow a station wagon from the neighborhood grocer?

Mr. HERMANSON. That is right.

Mr. KENNEDY. And you started to have your own garbage taken away?

Mr. HERMANSON. That is right.

Mr. KENNEDY. Was it then suggested to the neighborhood grocer that he not loan his station wagon for those purposes?

Mr. HERMANSON. That is right.

Mr. KENNEDY. And he refused to do that?

Mr. HERMANSON. Well, we didn't want to bring him into our problems.

Mr. KENNEDY. Then did you contact Mr. Dio? Did you have a conversation with him and tell him your problem?

Mr. HERMANSON. I phoned him subsequently about it, not that we were having any too great difficulty. It was costly and quite a nuisance for us to be taking our own waste out in a station wagon.

Mr. KENNEDY. Did you tell him the name of the company at that time?

Mr. HERMANSON. Yes, I did.

Mr. KENNEDY. What was the name of the company?

Mr. HERMANSON. I think it is Queen City.

Mr. KENNEDY. Queen City?

Mr. HERMANSON. Yes.

Mr. KENNEDY. Do they do most of the hauling there?

Mr. HERMANSON. Apparently.

Mr. KENNEDY. That is Mr. DeNota?

Mr. HERMANSON. DeNovio, I believe.

Mr. KENNEDY. After you contacted Mr. Dio to tell him of your difficulty out there, did you have any difficulty after that?

Mr. HERMANSON. Well, we continued to take our own waste.

Mr. KENNEDY. You did not have any particular problem after that?

Mr. HERMANSON. No, no particular problem.

Mr. KENNEDY. You have been satisfied with the services of Mr. Dio during this period of time?

Mr. HERMANSON. He has performed according to the contract. He hasn't had much required of him.

Mr. KENNEDY. That is the point. Were you ready to renew the contract again this year?

Mr. HERMANSON. Well, we might have considered it, had not all of this difficulty occurred with Equitable.

Mr. KENNEDY. You have not decided yet whether you will renew it or not?

Mr. HERMANSON. Yes, we reached a decision.

Mr. KENNEDY. When I talked to you about 3 weeks ago, you hadn't.

Mr. HERMANSON. At the time Mr. Dio hadn't been convicted of anything.

Mr. KENNEDY. In the last week you decided?

Mr. HERMANSON. That is right.

Mr. KENNEDY. But you thought you had been pleased with the services performed for the prior years? I mean, if he hadn't been convicted, you would have contemplated, at least, renewing the contract?

Mr. HERMANSON. We would have contemplated it.

I would like to add this: That it appears I have made an error in judgment in this.

Mr. KENNEDY. What I am trying to get at is that you paid \$1,800 and you say that the services were very slight. He didn't have to negotiate with anyone, he didn't perform any particular services for you, yet you are ready to renew the contract again.

Did he do what you expected him to do?

Mr. HERMANSON. Well, actually, I had in mind more than what he performed. When someone comes around to a small manufacturer and attempts to organize them, the average owner of a business who sells, designs, buys, and finances isn't really equipped to handle these people. I guess most of them make the same mistakes I made. I

felt that I needed someone more as a consultant, and someone available at such time as I would need them, in the same sense that we keep a lawyer on a retainer.

Mr. KENNEDY. According to the experiences that you had, that wasn't really necessary, because all you had to tell the people who came around and who tried to organize your shop was to go see Equitable Research and then they didn't come back again.

Mr. HERMANSON. That was the experience of the past year.

Mr. KENNEDY. And that was an experience that you wanted to continue?

Mr. HERMANSON. Well, I wouldn't want to continue it with a firm of this caliber.

Mr. KENNEDY. But up until a week ago?

Mr. HERMANSON. Well, I felt in fairness we should see if he was convicted.

The CHAIRMAN. This is simply money that you paid out for protection, was it not, and you so regarded it; did you not?

Mr. HERMANSON. Well, I think it could be considered that; yes, sir.

The CHAIRMAN. Well, that is all you got out of it, protection?

Mr. HERMANSON. We were able to operate our business.

The CHAIRMAN. That is right. You got protection so you could operate your business.

Mr. HERMANSON. In a sense that is true.

The CHAIRMAN. And that is what you paid him for.

Mr. HERMANSON. In a sense, I agree with you.

The CHAIRMAN. You agree with me.

All right, Senator Kennedy.

Senator KENNEDY. As I understand, you did not make up your mind until last week whether you would continue Mr. Dio's services. Were you not aware that he was indicted several months ago for throwing the acid in Mr. Riesel's eyes?

Mr. HERMANSON. Yes, sir.

Senator KENNEDY. How could you possibly consider continuing to employ him?

Mr. HERMANSON. Well, I felt that he should be convicted of the charges. I didn't feel that I should judge him.

Senator KENNEDY. You did not have the responsibility of judging him. You had the responsibility, however, when the legal authorities in New York thought there was sufficient evidence to indict him, you had responsibility to decide whether you wanted him to be the man to be your labor consultant.

Mr. HERMANSON. I agree with you that it is bad judgment on my part, sir.

Senator KENNEDY. Is the situation so difficult in New York that you feel obligated to hire a man like Johnny Dio as your labor consultant?

Mr. HERMANSON. Well, my experience has been pretty rough, sir.

Senator KENNEDY. In what way has it been rough? Have you had people attempt to hold you up, to get money from you, in exchange for not attempting to organize your plant? Have you had any of that?

Mr. HERMANSON. Well, we did have this one effort to organize our plant; yes.

Senator KENNEDY. You say your experience has been rough. In what way has it been rough?

Mr. HERMANSON. Well, we do get calls occasionally from union magazines or fund raisings, wanting to know if we will give them money for advertising, which I feel is wasted.

I have, in the past year or so, taken the position that we would say "No" to these requests.

Senator KENNEDY. Do you tell them to call Mr. Dio?

Mr. HERMANSON. No; I just say we haven't any money in our budget for this kind of expense.

Senator KENNEDY. You say your experience has been so rough. Do you just say "No" and that is the end of it?

Mr. HERMANSON. Well, what I was referring to was the attempt to organize our place. When the attempt was made I made certain errors, such as discharging some people who had been with us less than a week. There were about 10 of them. Immediately the National Labor Relations Board stepped in.

I was not familiar with the fact that you could or could not do that. I was not familiar that you could or could not speak to your people.

Senator KENNEDY. Did they hold you guilty of an unfair labor practice?

Mr. HERMANSON. That is right, sir.

Senator KENNEDY. That was in 1954. Then, you were saying that your experiences were rough. I want to try to get the details of why your experience was so rough that you felt you had to hire Johnny Dio. He is not a lawyer, so he could not have given you legal advice.

Mr. HERMANSON. I am sorry. Excuse me.

Senator KENNEDY. He could not have given you legal advice as to whether you could talk to your employees and all of those details. Where was it that it was so rough that you needed his services and not a lawyer's?

Mr. HERMANSON. Well, I felt that someone who was more familiar with the labor management could give us better advice.

Senator KENNEDY. What do you mean by that?

Mr. HERMANSON. He represented that he was an experienced labor man. From what Mr. Bitz told me, and what he offered in the way of advice, I felt that that was our best bet.

Senator KENNEDY. In other words, you were not looking for a lawyer to give you legal advice as to the technicalities of the National Labor Relations Act, but you were looking for other kinds of assistance; were you not?

Mr. HERMANSON. Well, when you have a situation as we had in 1955, you look for almost anything because the average businessman, I don't think, knows which way to turn.

It has been my experience that most lawyers today must be specialists. I have found that true in real estate. I am pretty sure it is true in labor from the little experience I have had.

Senator KENNEDY. Do you have a union now in your plant?

Mr. HERMANSON. No, sir; we do not.

Senator KENNEDY. No union has attempted to organize you in the last year?

Mr. HERMANSON. To my knowledge, I haven't had any contact with them.

Senator KENNEDY. Do you refer them to Mr. Dio?

Mr. HERMANSON. We would, yes, as long as he represented us.

Senator KENNEDY. Have you ever referred any to Mr. Dio?

Mr. HERMANSON. I didn't personally do it, but I understand in a couple of cases they referred to him.

Senator KENNEDY. Then what happens? Do you hear from them again?

Mr. HERMANSON. No, sir.

Senator KENNEDY. You do not hear from them again. So, isn't what you hired Mr. Dio for to keep your plant from being unionized?

Mr. HERMANSON. I would not agree with you on that. I think you would have to know our plant. I think you would have to know the people that work in it and the relationship.

Senator KENNEDY. What you told us is that in 1954 the National Labor Relations Board found you guilty of an unfair labor practice, that you got in touch with Mr. Bitz, to prevent picketers from preventing the shipment of your goods. Is that right?

Mr. HERMANSON. No, sir. First of all, we were not found guilty of unfair labor practices. The charges were dropped.

Senator KENNEDY. You rehired the people; did you?

Mr. HERMANSON. Actually, only, I believe, 4 of about 40 regular people went out with this group, and 2 of them are still working at our factory.

Senator KENNEDY. Let us get into the two men that you got Mr. Dio to send down.

Mr. HERMANSON. That is a different situation.

Senator KENNEDY. I understand. In other words, did you get ahold of Mr. Dio to send down two men in order to prevent picketers from stopping your goods from coming in and out of an area?

Mr. HERMANSON. No, sir. I didn't meet Mr. Dio at the time we were having—

Senator KENNEDY. Did you arrange through Mr. Bitz that he would have Mr. Dio send two men?

Mr. HERMANSON. No, sir.

Senator KENNEDY. You did not get two men?

Mr. HERMANSON. No, sir; this was when we removed some material in November from a supplier.

Senator KENNEDY. Who sent the two men?

Mr. HERMANSON. I was told Johnny.

Senator KENNEDY. Johnny Dio?

Mr. HERMANSON. I later learned it was Johnny Dio.

Senator KENNEDY. Then you had Johnny Dio send two men down. Was it not the purpose for sending them to stop the picketers from— what was the purpose in sending them down?

Mr. HERMANSON. I am sorry.

Senator KENNEDY. It will be easier if you will just tell us what it was.

Mr. HERMANSON. We had an attempt to organize our factory workers in June of 1955. That was over with. In November one of our suppliers had a strike, and this supplier had some of our materials which we wanted to remove from his premises.

Senator KENNEDY. Who was stopping it from being removed? The picketers?

Mr. HERMANSON. Yes.

Senator KENNEDY. Then Johnny Dio sent down two men at night to prevent the picketers from stopping your suppliers' goods, your goods, from being removed. Is that a correct statement?

Mr. HERMANSON. That is correct. I just wanted you to separate the two incidents.

Senator KENNEDY. In other words, you were using one of the worst hoodlums in New York in order to prevent your plant from being unionized, is that not a fact, and including strong-arm tactics and all the rest. I do not know how you can look at it in any other way.

Then, you did not decide, in spite of the fact that he was indicted for throwing acid in Riesel's eyes, and the fact that he was accused of putting pressure on witnesses several months ago, you did not decide until the past week to drop his services.

Mr. HERMANSON. It may sound naive to you, sir.

Senator KENNEDY. It does not sound naive at all. That is not what it sounds like. I do not want to be unfair to you, Mr. Hermanson, but I do not see how you can come before a committee and possibly justify having Johnny Dio prevent either jurisdictional strikes or organization for your plant and you are paying him this money, and having no other use but that.

Mr. HERMANSON. I agree with you that I have made an error, sir.

Senator KENNEDY. It seems to me once you understood who Johnny Dio was, and I do not think you were under any ignorance as to his influence in the racketeering circles in New York from the beginning, but once the Riesel matter came up, I do not see how you did not drop him immediately.

Mr. HERMANSON. I discussed it with my attorney.

Senator KENNEDY. What did your attorney advise you?

Mr. HERMANSON. It was his opinion that we had a contract for a year and that we were liable for it.

Senator KENNEDY. You were liable for the money, but you were not obliged to use his services?

Mr. HERMANSON. True.

Senator KENNEDY. Did your attorney inform you of that?

Mr. HERMANSON. True.

Senator KENNEDY. The contract was up, when, in March?

Mr. KENNEDY. 1957?

Mr. HERMANSON. Yes.

Senator KENNEDY. Did you pay him through March?

Mr. HERMANSON. We paid him for April and May of this year.

Senator KENNEDY. When was the Riesel matter?

Mr. KENNEDY. June of 1956.

Mr. HERMANSON. I think we paid him actually about 12 months. While the contract was signed in March, I don't think it became effective until May. I think we paid him for a month.

Senator KENNEDY. You paid him including 2 months after the contract ran out, even though for many months he had been under indictment for aiding in the blinding of Riesel?

Mr. HERMANSON. That is correct.

Senator KENNEDY. And you did not decide until last week to dispen-
se with his services?

Mr. HERMANSON. Well, several weeks ago. I saw Mr. Kennedy in New York, and at the time Mr. Dio had not been convicted. After he was, I arrived at the conclusion.

(At this point Senator Goldwater entered the hearing room.)

Senator KENNEDY. Did you ask our investigator in July 1957, whether it was his advice that you should renew your contract with Dio?

Mr. HERMANSON. Yes, sir; I did.

Senator KENNEDY. That was in July 1957? Last month?

Mr. HERMANSON. That is right, sir.

Senator KENNEDY. We have had some labor racketeers in here but what you have done has been just as improper as anything we have heard in front of this committee since this New York hearing began.

It seems to me that you used a notorious hoodlum and continued to use him in order to assist you in preventing your plant from being organized. I do not see how else we can look at it.

Mr. HERMANSON. I believe that if our plants desired to be organized, they could at any time. I do want to tell you that we have a factory which works about 45 weeks a year and that I think the conditions are good. I think the people are satisfied. I believe that they get a lot more than they could get otherwise. We have a bonus system there where certain employees are paid 8 and 10 weeks pay a year, and we give them paid holidays. I think most of the people are satisfied and want to be left alone.

Senator KENNEDY. The point is, according to the evidence we have, you did not give them a fair opportunity to make that decision, because whenever a union made an attempt to organize them, you referred the union to Dio, and, in effect, the result was instantaneous. You do not have a fair picture as to whether your employees desired a union or not, because Mr. Dio's services prevented that determination.

Mr. HERMANSON. They certainly had the opportunity when the doll and toy workers attempted to organize.

Senator KENNEDY. That was prior to Mr. Dio?

Mr. HERMANSON. Yes, sir.

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. I might just point out here, Mr. Chairman, and though it is not directly connected with Mr. Hermanson, that we have the situation as far as Dio is concerned, between 1940 and 1950, of him having approximately 10 dress shops, most of which were nonunion. He operated these nonunion dress shops in 1950 and 1951, while he came into the labor union movement at the same time.

Then he got into the labor union movement in 1950, and brought all of these other people into the labor union, some of whom we have had testimony here, and then ostensibly got out in October 1954, and set up an organization whose services were to keep other plants, such as Mr. Hermanson, from being unionized, or to get a soft contract, such as was granted to Mr. Lehrer, the witness who appeared yesterday.

It was these people that Mr. Dio brought into the labor-union movement whose names were used and whose positions were used, and who became officers in the locals, the teamster locals, in November and

December of 1955 and January of 1956, and were to be used to vote in the election of February 14, 1956, for the control of Joint Council 16 of the teamsters up in New York City.

The CHAIRMAN. Are there any further questions?

If not, thank you very much. You may stand aside.

The committee will stand in recess until 10 o'clock tomorrow.

(Thereupon, at 4:32 p. m., the committee recessed, to reconvene at 10 a. m., Thursday, August 8, 1957.)

(Select committee members present at the time of recess were Senators McClellan, Kennedy, and Goldwater.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

THURSDAY, AUGUST 8, 1957

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room, Senate Office Building; Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senators John L. McClellan, Democrat, Arkansas; Irving M. Ives, Republican, New York; John F. Kennedy, Democrat, Massachusetts; Sam J. Ervin, Jr., Democrat, North Carolina; Pat McNamara, Democrat, Michigan; Karl E. Mundt, Republican, South Dakota; Barry Goldwater, Republican, Arizona; Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, chief assistant counsel; Paul J. Tierney, assistant counsel; Walter R. May, assistant counsel; Frank C. Lloyd, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the select committee present at the convening of the hearing were Senators McClellan, Ives, Kennedy, Ervin, Goldwater, and Curtis.)

The CHAIRMAN. Call your next witness.

Mr. KENNEDY. Mr. Chairman, as we stated the first day, when Dio came into the labor-union movement, he came in through local 102. Then local 102 took on the jurisdiction of just the taxicabs, and Dio set up a local 649, which is the sort of mother local of all of the other locals that operated in New York City for Dio. From that local came 6 or 7 others that came into existence and actually operated.

Today the first 2 or 3 witnesses will be in connection with the control that 649 had, the people that Johnny Dio brought into 649 who were his chief lieutenants in the labor-union movement, and the part that 649 played in the establishment of these paper locals, these teamster paper locals in New York City in November of 1955.

I would like to have Mr. Tierney, of the committee staff, explain just for a moment the situation as far as 649 and the paper locals are concerned, at least the first part of it.

The CHAIRMAN. Mr. Tierney has been previously sworn, and he may resume.

TESTIMONY OF PAUL J. TIERNEY—Resumed

MR. KENNEDY. Could you explain this with emphasis on the lieutenants of Johnny Dio which he had brought into 649 originally and the important part they played in the teamster paper locals?

MR. TIERNEY. As you will observe, the principal officers of local 649 are Joseph Curcio, Harry Davidoff, Sidney Hodes, George Baker, and Abe Brier.

Particular emphasis should be placed on Curcio, Davidoff, Hodes, and Brier. As you will see here, these black lines show where these officers went to four of the teamster paper locals. Joseph Curcio came down to 269, as secretary-treasurer of local 269. Harry Davidoff came over to 258 as secretary-treasurer of local 258. Sidney Hodes came down originally to 284 as secretary-treasurer of local 284. Abe Brier came down to 362, as secretary-treasurer of local 362. The other paper local, 651, the secretary-treasurer of which was Nathan Gordon, and which paper local never actually ever got off the ground, we will show exactly came out of 649 through the payment of bills and the renting of their office space.

The CHAIRMAN. All right.

MR. KENNEDY. That is all.

The CHAIRMAN. Does any committee member have any question of the witness?

All right. Call the next witness.

MR. KENNEDY. Mr. Schneider.

The CHAIRMAN. Will you be sworn?

You do solemnly swear that the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

MR. SCHNEIDER. I do.

TESTIMONY OF HERMAN SCHNEIDER

The CHAIRMAN. State your name and your place of residence and your business or occupation, please, sir.

MR. SCHNEIDER. My name is Herman Schneider and my place of residence is 534 Maxwell Street, West Hempstead, Long Island, N. Y., and my business is president of the New Way Auto School, Inc.

The CHAIRMAN. Have you talked to members of the staff regarding your testimony?

MR. SCHNEIDER. Pardon me, sir?

The CHAIRMAN. Have you talked to members of the committee staff regarding your testimony?

MR. SCHNEIDER. Yes, sir.

The CHAIRMAN. You know then generally the line of interrogation to expect?

MR. SCHNEIDER. Yes, sir.

The CHAIRMAN. With that knowledge have you chosen to waive counsel?

MR. SCHNEIDER. Yes, sir.

The CHAIRMAN. Thank you very much.

MR. KENNEDY. As president of the New Way Auto School Co., you owned the property at 119 West Columbia Street?

MR. SCHNEIDER. No, sir; I leased the property.

Mr. KENNEDY. You leased the property?

Mr. SCHNEIDER. Yes, sir.

Mr. KENNEDY. Now, in 1953, did a certain union official approach you about renting that property?

Mr. SCHNEIDER. Yes, sir.

Mr. KENNEDY. Who specifically approached you?

Mr. SCHNEIDER. Sidney Hodes.

Mr. KENNEDY. Sidney Hodes?

Mr. SCHNEIDER. Yes, sir.

Mr. KENNEDY. You can see, Mr. Chairman, that he was associated with 649 at that time. Now, what did Mr. Hodes say to you?

Mr. SCHNEIDER. He came to rent two rooms which we had available in the building for offices for a union. Local 228 was the union he told us he was renting it for.

Mr. KENNEDY. Local 228?

Mr. SCHNEIDER. Yes, sir.

Mr. KENNEDY. Of the UAW-AFL?

Mr. SCHNEIDER. That is right.

Mr. KENNEDY. Mr. Chairman, that local 228 is what we call the bouncing charter, and that was the one that was supposed never in existence, but actually operated for a period of 2 years and went from one group to another.

Did he come in and did he make arrangements to take over the property?

Mr. SCHNEIDER. Yes, sir; he did.

Mr. KENNEDY. They actually used that office space?

Mr. SCHNEIDER. To my knowledge, they never had a staff operating full-time there. They did move into the two rooms and they had a key to the building and a key to their rooms.

The CHAIRMAN. Did you make a written contract with them for leasing the space?

Mr. SCHNEIDER. Yes, sir.

The CHAIRMAN. The Chair presents to you a document supposedly a copy of that contract, or the original, and I wish you would examine it and state if you recognize it.

(A document was handed to the witness.)

Mr. SCHNEIDER. Yes, sir; this is the lease they signed.

The CHAIRMAN. That may be made exhibit No. 56 for reference only.

(The document referred to was marked "Exhibit No. 56" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. Now, did he give you a card as to where he could be reached?

Mr. SCHNEIDER. Yes, sir; during business hours. We had his home address where we could reach him or forward any mail, also.

Mr. KENNEDY. But he gave you a card where he could be reached during business hours?

Mr. SCHNEIDER. That is right.

The CHAIRMAN. I present to you a card and ask you to examine it and identify it, if that is the card that he gave you.

Mr. SCHNEIDER. Yes, sir; this is the card.

The CHAIRMAN. Read the card, please, sir.

Mr. SCHNEIDER. It says:

Harry Davidoff, president, Amalgamated Workers Local 130, AFL, 1780 Broadway, New York 19, N. Y.

The CHAIRMAN. The card may be made exhibit 57 for reference. It need not be printed in the record since it had been read.

(The document referred to was marked "Exhibit No. 57" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. Local 130 of the AFL is actually a toy and doll workers union, and was a union that Mr. Davidoff and Mr. Hodes operated for a number of years.

Then they had come in under Johnny Dio to local 649, and the address that is given on there is the address of local 649. Mr. Harry Davidoff, whose card it is, was the chief officer under Johnny Dio in local 649.

Subsequently in 1955, did Mr. Hodes contact you and ask you if the office space could be used by certain other locals?

Mr. SCHNEIDER. Yes, sir.

Mr. KENNEDY. Would you tell the committee about that?

Mr. SCHNEIDER. Well, actually he called and asked whether it would be all right if he put up another sign in front of the building, and he did.

The CHAIRMAN. Did you ever see this before?

Mr. SCHNEIDER. I think this was the sign that they put over there originally, local 228 sign.

The CHAIRMAN. They had placed this over the old sign of 228?

Mr. SCHNEIDER. That's right.

The CHAIRMAN. When did that occur?

Mr. SCHNEIDER. I would say the end of 1955, I think it was.

The CHAIRMAN. 1955?

Mr. SCHNEIDER. I think it was the end of the year 1955.

The CHAIRMAN. This may be made exhibit 58 for reference. I do not think we can put it in the record.

(The document referred to was marked "Exhibit No. 58" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. That is locals 362 and 651, that sign.

Mr. SCHNEIDER. Yes, sir.

Mr. KENNEDY. Did you understand who local 362 and 651 were affiliated with?

Mr. SCHNEIDER. No, sir.

Mr. KENNEDY. Mr. Chairman, at that period of time, 651 and 362 were 2 of the teamster paper locals, and so 228 space was then taken over by 651 and 362. Actually, 651 operated out of 649 of the UAW.

Did they occupy that space then?

Mr. SCHNEIDER. There didn't seem to be any change in the occupancy of the space.

Mr. KENNEDY. Nothing occurred?

Mr. SCHNEIDER. No, sir.

Mr. KENNEDY. It was never used?

Mr. SCHNEIDER. Not to my knowledge, not with a staff full-time. Occasionally something may have come in but there was no full-time staff there.

Mr. KENNEDY. Subsequently, in May of 1956, did they write a letter and did you receive a letter requesting the termination of the lease?

Mr. SCHNEIDER. Yes, sir.

The CHAIRMAN. The Chair hands you what purports to be the letter you have testified to, and please examine it and see if you identify it.

(A document was handed to the witness.)

Mr. SCHNEIDER. Yes, sir; this is the letter we received.

The CHAIRMAN. It may be made exhibit 59, but you may read it.

(The document referred to was marked "Exhibit No. 59" and is as follows:)

Mr. SCHNEIDER. This is May 10, 1956, to Nu-Way Auto School:

GENTLEMEN: Please be advised that as of May 31, 1956, we wish to terminate our lease. Your acknowledgement of the above will be appreciated.

Yours very truly,

HARRY DAVIDOFF,
Secretary-Treasurer.

That is on the local 649 stationery.

The CHAIRMAN. Thank you very much. It has been made an exhibit.

Mr. KENNEDY. The lease was ultimately canceled by the chief officer of local 649, Mr. Chairman. That is all for this witness.

Senator CURTIS. I have just one question.

Mr. Schneider, you said that no one occupied this regularly as to office hours. Was it a ghost headquarters or was someone in almost every few days?

Mr. SCHNEIDER. I wouldn't say anyone was in every few days, that would be too frequent.

Senator CURTIS. Maybe once in 2 weeks someone would come in?

Mr. SCHNEIDER. At the beginning I would say possibly once a week for a short while and afterwards it was less frequent than that.

Senator CURTIS. And would they appear to stay in there and work and meet people?

Mr. SCHNEIDER. Not usually.

Senator CURTIS. Just someone would come in and go out right away?

Mr. SCHNEIDER. That is right, sir.

Senator CURTIS. That did not happen more than once every 2 weeks?

Mr. SCHNEIDER. Not more than that; no, sir.

Senator CURTIS. That is all.

The CHAIRMAN. Are there any further questions?

Thank you very much, Mr. Schneider.

Call the next witness.

Mr. KENNEDY. Mr. Frank Lloyd.

TESTIMONY OF FRANK C. LLOYD—Resumed

The CHAIRMAN. Were you previously sworn?

Mr. LLOYD. Yes, sir; I was.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Now, Mr. Lloyd, you made an examination of the printing that was requested by certain of these so-called teamster

paper locals, and there was certain stationery that they ordered after they were set up in November of 1955.

Mr. LLOYD. That is correct, sir.

Mr. KENNEDY. You have made an investigation to find out where that printing was ordered?

Mr. LLOYD. Yes, sir.

Mr. KENNEDY. Who paid the bills, and to whom the bills were sent for that printing?

Mr. LLOYD. Yes, sir.

Mr. KENNEDY. Could you tell the committee what you found, as far as that is concerned?

Mr. LLOYD. Yes, sir.

The CHAIRMAN. Will you speak a little louder, please?

Mr. LLOYD. Mr. Chairman, we visited the Daniel Press, 19 West 38th Street, in New York City, and we found that printing orders for locals Nos. 258, 269, 362, 651 originated from local No. 649.

The invoices were made out to the individual locals mentioned above and mailed to local No. 649. I believe that is the answer.

The CHAIRMAN. I present you with a document here and ask you to examine it and see if you identify it.

(A document was handed to the witness.)

Mr. LLOYD. Yes, sir; that is one of the invoices we obtained from Daniel Press.

The CHAIRMAN. That is one of the invoices you obtained?

Mr. LLOYD. Yes, sir.

The CHAIRMAN. All right, it may be made exhibit No. 60.

(The document referred to was marked "Exhibit No. 60" for reference and will be found in the appendix on p. 4455.)

The CHAIRMAN. Let me ask you a question or two about it. Where did you obtain that invoice, out of whose files?

Mr. LLOYD. We obtained it, Mr. Chairman, from the files of Daniel Press, and it was made up for us by the bookkeeper.

The CHAIRMAN. It is marked "duplicate," is it?

Mr. LLOYD. That is correct.

The CHAIRMAN. It is charged to local No. 649.

Mr. LLOYD. That is correct, sir.

The CHAIRMAN. The entire bill?

Mr. LLOYD. That is correct.

The CHAIRMAN. Does it identify other locals, the locals for whom the material was ordered?

Mr. LLOYD. Yes, sir; it does.

The CHAIRMAN. Read the names of the locals and the amounts furnished to each.

Mr. LLOYD. Well, it starts off, Mr. Chairman, 145 strike signs printed on 2 sides in red ink, 5 lots. Twenty local 355, 50 local 269, 25 local 258, 25 local 651, and 25 local 362.

The total is extended \$135, even, with a sales tax of \$4.05, making the total bill \$139.05.

The CHAIRMAN. In other words, that bill for what we have been terming the paper locals was sent to the parent group up there of local 649.

Mr. LLOYD. That is correct, Mr. Chairman.

The CHAIRMAN. Do you know whether the bill was paid or not?

Mr. LLOYD. Yes, sir; the information that we obtained from the bookkeeper was that the bill was paid but a portion of it, which she called a pro rata share of \$39.49, she claims was paid by local 258.

The CHAIRMAN. And the rest of it was paid by whom?

Mr. LLOYD. Local 649, sir.

The CHAIRMAN. Are there any other questions?

Mr. KENNEDY. That is all.

The CHAIRMAN. Thank you. You may stand aside.

Call the next witness.

Mr. KENNEDY. Mr. Sidney Hodes, Mr. Chairman.

The CHAIRMAN. Mr. Hodes, come around, please.

Will you stand and be sworn? Do you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HODES. I do.

TESTIMONY OF SIDNEY HODES, ACCOMPANIED BY HIS COUNSEL, JACQUES M. SCHIFFER

The CHAIRMAN. State your name, your place of residence, and your business or occupation, please, sir.

Mr. HODES. My name is Sidney Hodes. I reside at 400 New Lots Avenue, Brooklyn, N. Y.

The CHAIRMAN. Do you wish to answer the rest of the question and tell us your business or occupation?

Mr. HODES. I respectfully refuse to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. You know, I have observed that you folks taking the fifth amendment here are pretty big fellows to be so easily incriminated. Let us proceed with it.

You have counsel here and will you identify yourself?

Mr. SCHIFFER. J. M. Schiffer, Rockville Centre, N. Y., associated in the matter with the law firm of Duecke & Fields, Greenlawn, N. Y.

Mr. KENNEDY. Mr. Chairman, as we established, Dio's primary local was 649 and the main officials or people he brought into the labor-union movement came down into these teamster paper locals in December of 1955 and January of 1956.

The printing that was done for their stationery was all paid out of 649, and that 649 had control over a number of them more directly and their headquarters was in 649, and that the office space on two occasions was paid out of 649.

Now, Mr. Sidney Hodes, according to our information, is a very close colleague of Mr. Johnny Dio and he played a very important role in the setting up of these paper locals. He came out of 649, but he came down as president of 258 of the teamsters, and he was secretary-treasurer of 284 of the teamsters and he was listed as president of local 362 of the teamsters.

So he played a properly eminent role in three of the teamster paper locals that were established in November of 1955. As I say, he was close to Johnny Dio. The request for the establishment of these paper locals was made originally by Mr. James Hoffa, who was also very close to Dio.

Now, could I ask you, Mr. Hodes, when you first came in as an official of local 649?

Mr. HODES. I must respectfully decline to answer the question on the ground it may tend to incriminate me.

Mr. KENNEDY. Did Mr. Dioguardi bring you in as an official of 649?

Mr. HODES. Again, I must respectfully decline to answer the question on the ground it might tend to incriminate me.

The CHAIRMAN. Do you know Dioguardi?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Does he know you?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Are you one of his "stooges"?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Are you one of his "muscle men"?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. I would like to get in the documents first on the teamster paper locals, Mr. Chairman, and here is the application for charter for local 284, which lists as the secretary-treasurer, Mr. Sidney Hodes.

The CHAIRMAN. I present to you a document already admitted in evidence, or two documents and one is exhibit 40 and the other is exhibit 40-A, in which your name is listed as president of local 362, and where you were certified as a delegate to the joint council representing local union 362.

I ask you to examine this document and state if that name, "Sidney Hodes," on that document and you are one and the same.

(A document was handed to the witness.)

Mr. HODES. I have examined the document, sir.

The CHAIRMAN. Do you recognize your name on it?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. You think you might be incriminated to recognize your own name?

Mr. HODES. I might.

The CHAIRMAN. All right, do you want to give us any information about your connection with that union and your attending that joint council meeting and whether you voted or not?

Mr. HODES. Sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Is the reason that you feel that you would be incriminated because you know this was a phony union, and phony local and that the whole purpose of it was primarily to send delegates from this phony union to that joint council meeting in order to control an election?

Is that why you think it would incriminate you?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Will you agree with me that if that was not the reason, or there was not some other ulterior motive in it, that it would not incriminate you to tell the truth about it?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Proceed.

Mr. KENNEDY. In that connection, we have the credentials for Mr. Hodes to vote in the election for the teamsters.

The CHAIRMAN. Present this to the witness. It is a letter of February 22, 1956, addressed to the joint council 16, and it is signed by Abraham Brier and it certifies that the bearer, Sidney Hodes, is an executive board member of local 362 and is eligible to vote in the joint council election.

Take a look at that, please.

(A document was handed to the witness.)

Mr. HODES. I have examined the document, sir.

The CHAIRMAN. What do you see?

Mr. HODES. A document.

The CHAIRMAN. What else?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. You see your name there certified as a delegate to that meeting, do you not, the joint council 16?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Maybe you cannot read, can you? Maybe I am being unfair to you. Can you read?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it might tend to incriminate me.

The CHAIRMAN. That may be made exhibit No. 61.

(The document referred to was marked "Exhibit No. 61" for reference and will be found in the appendix on p. 4456.)

The CHAIRMAN. You have a brother, do you?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Did you have a father and mother?

Mr. HODES. Again, sir, I must respectfully decline to answer on the ground it may tend to incriminate me.

The CHAIRMAN. I present you a document here. It is signed by Nathan Gordon, secretary-treasurer of local union 651, addressed to the joint council 16, dated November 29, 1955, and ask you to examine it and see if you identify it.

(A document was handed to the witness.)

Mr. HODES. I have examined the document, sir.

The CHAIRMAN. Do you see anybody's name on there that is related to you?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the grounds it might tend to incriminate me.

The CHAIRMAN. Do you think it might incriminate you or your brother if you admitted you were kin to him?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. The document may be made exhibit No. 62.

(The document referred to was marked "Exhibit No. 62" for reference and will be found in the appendix on p. 4457.)

The CHAIRMAN. Your brother, Abe Hodes, was never a member of a union; was he?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it might tend to incriminate me.

The CHAIRMAN. He is certified here as trustee of local 651, and as such he is ordered to be seated, or requested to be seated as a delegate to joint council 16.

Was he a member of the union at that time within your knowledge?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Did he attend that convention with you?

Mr. HODES. Again, sir, I must respectfully decline to answer the question the ground it might tend to incriminate me.

The CHAIRMAN. Did you vote at that convention, one of these phony charter votes?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. You don't want to acknowledge your brother?

Mr. HODES. I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. I hand you another document dated February 2, 1956, addressed to the joint council 16, from Nathan Gordon, certifying that Abe Hodes is an executive member of that local and as such is entitled to vote at this joint council meeting.

Will you examine that document?

(A document was handed to the witness.)

Mr. HODES. I have examined the document, sir.

The CHAIRMAN. Did I state the facts about it?

Mr. HODES. I must respectfully decline to answer the question on the ground it might tend to incriminate me.

The CHAIRMAN. The document speaks for itself. Were you and your brother together at that convention?

Mr. HODES. I must respectfully decline to answer the question on the ground it might tend to incriminate me.

The CHAIRMAN. Do you think any association with your brother might tend to incriminate you?

Mr. HODES. I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. All right, Mr. Kennedy.

Are there any further questions?

That last document may be made exhibit 63.

(The document referred to was marked "Exhibit No. 63" for reference and will be found in the appendix on p. 4458.)

Senator KENNEDY. Mr. Hodes, are you president now of teamster local 258?

Mr. HODES. I beg your pardon?

Senator KENNEDY. Are you an officer now in the teamster local in New York?

Mr. HODES. Senator, I must respectfully decline to answer the question on the ground it might tend to incriminate me.

Senator KENNEDY. I understand that you were a member of Local 649 of the United Automobile Workers of America, AFL, and that

that charter was lifted because of corruption. You then transferred over to the teamsters, and first to local 284, and then now to local 258.

Is that a fact?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it might tend to incriminate me.

Senator KENNEDY. Did Mr. Hodes vote in the 1956 election?

Mr. KENNEDY. Yes; he did.

Senator KENNEDY. Now I understand Mr. Getlan, listed as an officer of local 258, that his name was also listed as voting, but that he came before the committee and disclaimed any knowledge of that.

Mr. KENNEDY. He was listed as president of that local, and he appeared before the committee a day or so ago and testified that not only he did not vote, but that he had never even heard of the local teamster union.

Senator KENNEDY. The AFL-CIO Ethical Practices Committee calls for the resignation of any officer who takes the fifth amendment. I understand that according to the constitution of the teamsters, only Mr. Beck can ask for Mr. Hodes' resignation, but it seems to me that in view of the position of the AFL-CIO, the teamsters in order to clarify their own position should ask for Mr. Hodes' resignation.

Senator GOLDWATER. Mr. Hodes, I think that you could answer this question without any danger of incriminating yourself. It has to do with your attorney, Mr. Schiffer, I believe. Is that the name?

Mr. SCHIFFER. That is the name.

Senator GOLDWATER. Does Mr. Schiffer represent the union that you are connected with?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it might tend to incriminate me.

Senator GOLDWATER. Then I will ask your attorney, Mr. Schiffer.

Do you represent the union, or unions, that Mr. Hodes is connected with?

Mr. SCHIFFER. I have been especially retained just for the purpose of these hearings.

Senator GOLDWATER. You did not represent them before this?

Mr. SCHIFFER. No, sir.

Senator GOLDWATER. Is the union paying your fee?

Mr. SCHIFFER. They have paid my expenses up to date and I expect to charge them a fee for my services.

Senator GOLDWATER. You intend to send the bill to the union and not to Mr. Hodes?

Mr. SCHIFFER. I expect to address it to the union, and whoever pays the bill I am just not interested, so long as I get paid. I think the union properly should pay it.

Senator GOLDWATER. You feel the union should pay it?

Mr. SCHIFFER. There is no question about it in my mind.

Senator GOLDWATER. You mean the union should pay out of dues collected from the working people, to defend a man who is charged with these various crimes?

Mr. SCHIFFER. May I answer that question?

Senator GOLDWATER. I would like your opinion on it.

Mr. SCHIFFER. Up to this point, Senator, we have heard a lot of what we call "drivel" about charges being brought against witnesses. I am representing this witness at this time. From what I have been

able to determine, as his attorney, in complete preparation for this hearing, we have not found one single, or at least I have not found a single iota of evidence to substantiate what has come from Mr. Kennedy, the chief counsel of this committee, with reference to this particular witness.

Those are only charges.

SENATOR GOLDWATER. Well, if you feel that way, you must feel that your client is innocent of these charges, and why did you suggest to him that he take the fifth amendment?

MR. SCHIFFER. For this reason and only this reason, Senator: The Supreme Court has said that the Constitution is the law of this land, and it says the fifth amendment is basic law in this country.

SENATOR GOLDWATER. We don't argue that.

MR. SCHIFFER. Then, sir, if that is the law, I am going to respect that law and so advise my client.

SENATOR GOLDWATER. But you just don't take the fifth amendment for the fun of it. You are a lawyer, and you understand the fifth amendment and you understand that we all respect it as do all of the people of this country, but it is used to prevent self-incrimination.

Now, what is there that Mr. Hodes has to be afraid of, if you say he is innocent of all of these charges?

MR. SCHIFFER. I will answer that, Senator. By reason of the late decisions by the Supreme Court of the United States, they have already said that a man who pleads the fifth amendment, whatever the alleged charge might be, is not necessarily guilty of any crime. If he has that right, no inference against him should be drawn should he take the fifth amendment.

SENATOR GOLDWATER. One can't help but take an inference in spite of what the Supreme Court says. The Supreme Court might say that there is no inference, but I think the people around the country believe that there is an inference. I do not agree that there should be an inference, by the way, but I sat here and listened to this man take the fifth amendment on simple questions, and in fact he would not tell me whether his union was hiring you.

Now, certainly, there could be nothing self-incriminating about Mr. Hodes saying to me what you have said yourself, that the union is hiring you.

I can't understand why, if in your opinion, this man is not guilty and lily white, he cannot come here and answer simple questions.

He can't even answer a question about his brother. I don't always agree with my brother, and he is a Democrat, but I like him and I will admit he is my brother.

THE CHAIRMAN. Let us get back on the track. The Chair would like to make this observation about the fifth amendment:

Certainly, any man accused of crime, or brought in to testify in a hearing like this, under the Constitution, has a right to invoke the fifth amendment in my judgment if, and only when, he honestly believes that a truthful answer to the question might tend to incriminate him.

I do not believe that the Founding Fathers ever intended that the fifth amendment should be used capriciously, and I think it is being used that way.

Insofar as inferences are concerned, if he was charged with a crime, the presumption of innocence would attend him throughout that trial.

But for the purpose of this investigation, and the function of this committee in trying to carry out the assignment given it by the Senate of the United States, I reserve the right to, and positively will draw inferences whenever the conduct of a witness warrants it.

The taking of the fifth amendment so capriciously certainly warrants me, and I will exercise it, to draw an inference of the character of the witness, and his conduct and his unwillingness to cooperate as a citizen of this country with his Government in carrying out the mission here of trying to clean out these racketeers and thugs and crooks and cheats and frauds from the labor-union movement.

Let us proceed.

Senator ERVIN. May I make an observation? Counsel has voluntarily stated that he has not found any evidence or anything to indicate that any of the implications of any of these questions have any basis in fact. He has also intimated that from all of his investigations, his client is absolutely innocent and has done nothing wrong, if I draw a correct inference.

Now, I respect the confidential relationship between attorney and client, and I would not refer to this if it had not been for the voluntary statement of counsel. It is a rather queer thing to me, as a lawyer, for counsel to advise his client as I inferred he did, to plead the fifth amendment when the counsel says there is nothing from his investigation which would indicate that his client has been guilty of any wrongdoing.

If you would pardon a statement, that is a rather queer basis on which the counsel could assume either the right or the duty to advise his client to plead the fifth amendment.

Certainly, I had a lot of experience practicing law, and I never did advise my clients to plead the fifth amendment unless there were circumstances which would tend to incriminate them regardless of whether they were guilty or innocent.

Mr. SCHIFFER. May I make a brief statement on that, Mr. Chairman?

The CHAIRMAN. Make it brief. We are going on.

Mr. SCHIFFER. We are engaged here as I understand it in a dragnet investigation. That has been defined by one of the Justices of the Supreme Court of the United States with a recognition that it can very easily get out of hand and go into fields beyond the original scope of this investigation. It is the purpose of this hearing.

As a result, I have advised my client of this constitutional right, which is guaranteed to him.

However, I do not order him to take the fifth amendment, Senator, please understand me. That is the man's own right. If he chooses to take it, he has a perfect right to take it.

Senator ERVIN. That still doesn't explain to me why counsel would advise a man to invoke the fifth amendment when counsel says from his investigation of the client's case, he hasn't discovered a single fact which would tend to incriminate his client.

That is all.

The CHAIRMAN. If counsel wishes to refer to this as a dragnet investigation my answer to that is that it seems that in this dragnet procedure we have caught a sordid assignment of man-eating sharks.

Let us proceed.

Mr. KENNEDY. Mr. Hodes, we have some information and there has been testimony before the committee that when you were associated with local 649, that you went to the All-Rite Belt Co., and that you made an arrangement there that they would pay to the union \$96 every month in dues and in welfare funds, and that \$96 was to be for 8 individuals who work for the company, that those 8 individuals did not have to exist, and that you told the individuals of All-Rite Belt Co. that they could use any 8 names, which they proceeded to do for a period of 3 years, and just send in the \$96 a month.

Now, I wonder if you could explain to the committee what procedure you were following and what your intention was in making such an arrangement.

Mr. HODES. Counsel, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

Mr. KENNEDY. You feel if you gave a truthful answer and explanation of that to the committee that a truthful answer might tend to incriminate you.

Mr. HODES. It might.

Mr. KENNEDY. So you disagree with your attorney on that?

Mr. SCHIFFER. There is no disagreement, may I point out.

Mr. KENNEDY. He feels that giving answers to questions before this committee might incriminate him, and you don't feel that they would. I think that there is a disagreement.

We have also some information that when you were with 649, that you made an arrangement with the F & B Novelty Co., where the employees were mostly Puerto Rican extraction, and when representatives of those employees came to you and requested to see the contract, you refused to show them the contract; is that correct?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it will tend to incriminate me.

Mr. KENNEDY. Now, we have a registration form with local 228, when you were with local 228 of the UAW-AFL, which shows your name as secretary-treasurer, and that you were elected to that position.

Now, this form that is signed and forwarded to the Labor Department is signed by Sidney Hodes, financial secretary-treasurer. Our information is that you were never elected, and that therefore this statement was untrue.

I would like to have you examine it and give any explanation that you might want to give.

The CHAIRMAN. The Chair presents to you an exhibit 18 of these hearings, which is "Labor Organization Registration Form Under Public Law 101, 80th Congress," and ask you to examine it and state if you identify it.

(A document was handed to the witness.)

Mr. HODES. I have examined the document, sir.

The CHAIRMAN. Do you want to make any comment about it?

Mr. HODES. Again I must respectfully decline to answer the question on the ground it may tend to incriminate me.

Mr. KENNEDY. I wonder if you could just give us a little bit of your background in the labor-union movement. We have you within a period of 3 or 4 years, in local 130 of the Doll and Toy Workers Union, as an officer in local 649, as an officer in local 228 of the UAW-AFL, as president of 258 of the teamsters, secretary-treasurer of 284 of the teamsters, and president of 362 of the teamsters.

Could you give us a little background as to how you were able to obtain all of these positions?

Mr. HODES. Again, sir, I must decline to answer the question on the ground it may tend to incriminate me.

Mr. KENNEDY. You feel if you told us about that, it might tend to incriminate you?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Is one of the reasons why you are taking the fifth amendment because you are afraid of Johnny Dio?

Mr. HODES. I beg your pardon, sir?

The CHAIRMAN. I asked if one of the reasons why you are taking the fifth amendment is because you are afraid of Johnny Dio.

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Do you think it might tend to incriminate you for you to admit that you are not a physical coward, and not afraid of him?

Mr. HODES. Again, sir, I must respectfully decline to answer the question on the ground it may tend to incriminate me.

The CHAIRMAN. Are there any other questions?

Senator IVES. I would like to ask the attorney a question?

After listening to all of these answers to these questions, are you so sure that your client is so innocent?

Mr. SCHIFFER. May I answer that, Senator?

Senator IVES. Yes; because certainly I am not and I can't see how you can be.

Mr. SCHIFFER. Let me explain something with reference to your inquiry, Senator.

Judge Palmiere, of the United States District Court in the Southern District of New York, gratuitously offered a statement, as I understand it, to all media of newspapers, radio, and television, during the course of a civil suit, that this local and other locals were "tainted with fraud."

The witness was subpoenaed before the United States grand jury in the southern district of New York. It was about that time that I was retained to represent them at this point.

He voluntarily appeared every time.

Senator IVES. I thought you just came down here today to look after his interests.

Mr. SCHIFFER. I say for these purposes, and I am bringing out what I consider part of this function of this committee, the fact that the grand jury was going to assist this committee in securing testimony.

Up to this time this witness is still under that subpoena. It is an open subpoena, and I have made an agreement with the United States attorney's office up there that whenever the grand jury is ready to hear this witness he will be there.

Those are two of the main reasons why he is taking the fifth amendment.

Senator IVES. You didn't tell us that before.

The CHAIRMAN. Are there any further questions?

The witness will remain under the same subpoena and will acknowledge the recognizance of this committee to be present again for testi-

mony upon reasonable notice of such time as the committee may require further testimony from him.

Mr. SCHIFFER. May I inquire? Does that require his remaining in Washington?

The CHAIRMAN. He will remain here the remainder of the day. He may be recalled today, but this has reference to when he is excused from attendance today.

Mr. SCHIFFER. Yes, sir.

The CHAIRMAN. Do you acknowledge recognizance?

Mr. SCHIFFER. Yes.

The CHAIRMAN. And you agree to appear upon reasonable notice without being subpoenaed?

Mr. HODES. Yes, sir.

The CHAIRMAN. You may stand aside.

Call the next witness.

Mr. KENNEDY. Mr. Abe Brier.

The CHAIRMAN. Mr. Abe Brier, will you come around, please?

Will you be sworn?

Do you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BRIER. I do.

TESTIMONY OF ABRAHAM BRIER, ACCOMPANIED BY HIS COUNSEL, JACQUES M. SCHIFFER

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. BRIER. Abraham Brier, 161 West 16th Stret, Manhattan, New York.

The CHAIRMAN. Do you have any business?

Mr. BRIER. I refuse to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Do you have any occupation?

Mr. BRIER. I refuse to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Are you one of these labor racketeers? Is that why you don't answer?

Mr. BRIER. I refuse to answer on the ground it might tend to incriminate me.

The CHAIRMAN. I agree with you.

Senator IVES. Before you start, may I ask counsel one thing: Has this gentleman been subpoenaed in New York?

Mr. SCHIFFER. What occurred here, Mr. Senator. I don't know. What causes my appearance here for this witness is that an attorney, Mr. Halpin, who appeared before this committee yesterday, appeared in the outside corridor here and became ill. He asked me, would I substitute for him and appear before this committee with this witness. They had a conference and this witness asked me to sit alongside him.

Senator IVES. Do you know whether he has been subpoenaed up there?

Mr. SCHIFFER. I wouldn't know any of his background, sir.

Senator IVES. Can he trust you enough to tell you? He ought to know whether he has been subpoenaed or not.

Mr. SCHIFFER. Could I ask him?

Senator IVES. Go ahead.

(The witness conferred with his counsel.)

Mr. SCHIFFER. I understand he has been subpoenaed before this committee, but he has not been served with a subpoena from the grand jury.

Senator IVES. That is what I am talking about, the grand jury up there in New York.

Mr. SCHIFFER. He says "No."

Senator IVES. Then there is no reason why he should not talk.

Mr. SCHIFFER. He may have a lot of legal reasons.

Senator IVES. You would not know what they are?

Mr. SCHIFFER. I would not know if he wanted to take the fifth amendment.

The CHAIRMAN. Counsel may identify yourself for the record again. Let the record show it is the same counsel as appeared for the preceding witness.

Mr. KENNEDY. Mr. Chairman, Mr. Brier is of importance to us because initially he came in with Mr. Dio, in local 102, and he assisted according to the information that we have in the taxicab drive in New York City, and he transferred over with Mr. Dio into local 649, and he played an important role in setting up of the teamster paper locals in 1955, because he became an officer of local 362.

I would like to ask him first about his position in local 102 during the taxicab drive.

Mr. BRIER. I didn't get the question. I am sorry.

Mr. KENNEDY. What was your position in the taxicab drive that was conducted by local 102?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

Mr. KENNEDY. Did Mr. Dio bring you into that?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

Mr. KENNEDY. Do you know Mr. Dio?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

Mr. KENNEDY. Then it is our information that when Mr. Dio transferred over to local 649 from local 102, that Mr. Brier went with him and became an officer in local 649, and he became a trustee of 649. Were you the trustee of local 649?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

Mr. KENNEDY. As a trustee of local 649, were you in charge of the funds and the money?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

Mr. KENNEDY. Can you tell us whether there was a complete accounting of all of the moneys that came into 649?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

Mr. KENNEDY. Could you tell us anything about your operations of local 649?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

Mr. KENNEDY. When the discussions took place about transferring or setting up these paper locals, as I have said, Mr. Brier should have some information because he became an officer of local 362 of the International Brotherhood of Teamsters.

Now, could you tell the committee what preceded or what events preceded the chartering of these paper locals, teamster paper locals?

Mr. BRIER. I decline to answer on the ground it may tend to incriminate me.

Mr. KENNEDY. Could you tell the committee what conversations you had prior to becoming an officer of local 362?

Mr. BRIER. I decline to answer on the ground it may tend to incriminate me.

The CHAIRMAN. Do you have any conscience at all, and are you willing to state your relationship in the trustee position you have held with these working people? Do you feel any sense of obligation to them at all?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Subsequently, just going back to 649, evidently you did such a good job as a trustee of 649 that they elected you secretary-treasurer and as such you had complete control of the funds. Can you tell us how the funds were administered?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

Senator GOLDWATER. Can I ask counsel a question? Was there an election?

Mr. KENNEDY. According to our information he was elected, and Mr. Curcio wrote a letter which we have here.

The CHAIRMAN. The Chair presents to you exhibit 49, to the testimony previously taken by this committee. It is an application for charter to the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, and your name appears on it as secretary-treasurer of local 362. I will ask you to examine it and state if you identify it.

(A document was handed to the witness.)

Mr. BRIER. Mr. Chairman, I have examined this document.

The CHAIRMAN. Can you read?

Mr. BRIER. I refuse to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Did you see your name on it?

Mr. BRIER. I refuse to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Was the statement I made correct, that you appear on it as secretary-treasurer of that local?

Mr. BRIER. I would refuse to answer on the ground it might tend to incriminate me.

The CHAIRMAN. There is a lot of incrimination going on around here with these documents, it seems to me.

I hand you another one here on Warehouse and Processing Employees Union, Local 362, stationery, dated December 1, 1955, and it is addressed to Joint Council 16, signed by Abraham Brier. I wish you would look at that and see if you identify it, please, sir.

(A document was handed to the witness.)

Mr. BRIER. I see the document.

The CHAIRMAN. Do you see your name on it?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. I want everybody to see it. Hold it up there, and let them get a look at it. Your name is on it; is it not?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Is that your signature?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. It is your letter, is it not?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Proceed. That may be made exhibit No. 64.

(The document referred to was marked "Exhibit No. 64" and follows below.)

The CHAIRMAN. I will read it.

I don't like to incriminate people, but I think when we present a document, we ought to know what is in it.

As I stated a moment ago, it is on the Warehouse and Processing Union Local 362 stationery, dated December 1, 1955, to Joint Council 16, Martin T. Lacey, president, 265 West 14th Street, New York, N. Y.

DEAR SIR AND BROTHER: I am enclosing a listing of titles and officers of our local union 362 and requesting that we may be seated as delegates to the Joint Council 16:

Sidney Hodes, president; Martin Schlanger, vice president; Abraham Brier, secretary-treasurer; George Monica, recording secretary; Stanley Seglin, trustee; Joseph Infantino, trustee; Murray Stein, trustee.

Fraternally,

ABRAHAM BRIER.

It is printed, the name Abraham Brier, secretary-treasurer.

Do you recognize that?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Do you feel by reading the letter, it may have incriminated you?

(The witness conferred with his counsel.)

Mr. KENNEDY. It might.

The CHAIRMAN. I am sorry if I have incriminated you.

Proceed.

Mr. KENNEDY. This is another one.

The CHAIRMAN. I hand you another photostatic copy of a letter on the same stationery, the same local, dated February 2, 1956, and it bears a signature with which I think that you may be familiar.

Will you please examine that document and state if you recognize it?

(A document was handed to the witness.)

The CHAIRMAN. Have you complied with the order of the Chair and examined the document?

Mr. BRIER. I have seen the documents.

The CHAIRMAN. You have seen it? Do you see anything there you recognize?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Do you see your signature, but you do not want to admit it?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. I hate to do it, but I expect I had better read that one. That will be made exhibit No. 65.

(The document referred to was marked "Exhibit No. 65" and follows below.)

The CHAIRMAN. May I have the document?

It is dated February 2, 1956 to Joint Council 16, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, 265 West 14th Street, room 709, New York 11, N. Y.

DEAR SIR AND BROTHER: In answer to your letter of January 19, we give you the following list of officers who are eligible to vote in the joint council election.

Sidney Hodes, president; Martin Schlanger, vice president; Abraham Brier, secretary-treasurer; George Monica, recording secretary; Stanley Seglin, trustee; and Joseph Infantino, trustee; and Murray Stein, trustee.

Fraternally yours,

ABRAHAM BRIER, *Secretary-Treasurer.*

And the signature of Abraham Brier as such.

You do not want to acknowledge that you wrote that letter?

Mr. BRIER. I decline to answer on the ground——

The CHAIRMAN. Did you attend that meeting of joint council 16?

Mr. BRIER. I decline to answer on the ground——

The CHAIRMAN. Did you vote?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. You knew at that time that this was a phony union; did you not?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. I will hand you another one where you signed the letter certifying yourself and it is dated February 2, 1956, to the joint council, signed, "Fraternally yours," by you.

Apparently your name is there. Examine that document and see if you recognize it.

(The document was handed to the witness.)

Mr. BRIER. Mr. Chairman, I have seen the document.

The CHAIRMAN. Do you want to make any comment about it?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. The document certifies you, and you certify yourself as a delegate. Did you attend that meeting?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. It might. All right. The document will be made exhibit No. 66.

Proceed.

(The document referred to was marked "Exhibit No. 66" for reference and will be found in the appendix on p. 4459.)

Mr. KENNEDY. The record we have shows that a vote was cast in Mr. Brier's name, and was one of the votes that was impounded.

Upon our examination we found that all of the votes that were impounded, including this one, were cast for Mr. John O'Rourke.

The CHAIRMAN. Was this part of the scheme to unseat Lacey and elect O'Rourke?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. You were in on that scheme, were you not?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Were you not a "stooge" for Johnny Dio and Jimmy Hoffa in that transaction?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. Did you not serve them faithfully?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. All right, Mr. Counsel.

Mr. KENNEDY. Mr. Chairman, according to the information that we have the charter for local 260 of the UAW-AFL was lifted during the early part of 1957 because of being racketeer-dominated.

Mr. Brier then moved in with local 250, moved his organization in which did not consist of very much. He erased the number of 250 on the door and wrote "362" and it became teamster local 362.

Is that correct, Mr. Brier?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

Mr. KENNEDY. We also have information, Mr. Chairman, that Mr. Brier was one of those and this has been testified to before the committee, who made a so-called "sweetheart" contract where there were employees of Puerto Rican extraction, namely with Eden Aero Auto Parts, Inc., of 1760 Morris Avenue, Bronx, N. Y.

He dealt there with Maurice Ehrlicht, secretary of the corporation. The arrangement is that the dues would be paid, amounting to \$32 a month by the employees, although there was no increase in benefits for the employees.

Could you tell the committee about that?

Mr. BRIER. I decline to answer on the ground it might tend to incriminate me.

Senator MUNDT. Mr. Chairman?

The CHAIRMAN. Senator Mundt.

Senator MUNDT. I would like to ask Mr. Brier a question or two.

As secretary-treasurer of local 362 in charge of the dues which are paid by the hard-working men and women of the union in New York City, do you faithfully protect the funds of your dues-paying members?

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

Senator MUNDT. The question implies that you do not.

Let me put it another way. If you are unwilling to say that you do protect the funds, are you stealing the money and using it for yourself?

Mr. BRIER. I decline to answer on the grounds that it may tend to incriminate me.

Senator MUNDT. The very answer now incriminates you. I asked you if you protected them. Now you will not answer that question, because you are afraid that you might be incriminating yourself. That clearly implies, virtually admits, that you are stealing the money. Are you doing that? Are you a thief?

Mr. BRIER. I decline to answer on the grounds that it may tend to incriminate me.

Senator MUNDT. In my opinion, that clearly indicates that you are taking the money, since you are unwilling to say that you are protecting the money, when that is your responsibility. I thought you were protecting the money. Now I will ask you deliberately, are you stealing the money and using it for yourself?

You leave the record that way. Do you want to leave the record that way?

Mr. BRIER. I decline to answer on the grounds that it may tend to incriminate me.

Senator MUNDT. Are you afraid of Dio? Are you afraid he will do something physically to you if you tell the truth?

Mr. BRIER. I decline to answer on the grounds that it may tend to incriminate me.

Senator MUNDT. Are you a scared man?

Mr. BRIER. I decline to answer on the grounds that it may tend to incriminate me.

Senator MUNDT. Are you afraid that your associations with the underground world have caught up with you and you are in trouble and you are afraid to talk?

Mr. BRIER. I decline to answer on the grounds that it may tend to incriminate me.

Senator MUNDT. I wonder, Mr. Brier, were you involved in the acid-throwing attack on Victor Riesel?

(At this point, Senator Kennedy entered the hearing room.)

Senator MUNDT. All you have to say to that not to be incriminated is no. If you were involved, if I were you, I would take the fifth amendment. I am asking the question. I do not know.

(The witness conferred with his counsel.)

Mr. BRIER. No.

Senator MUNDT. Thank you.

You are not incriminated on that one. Now we are making headway.

Let me ask you another question. Are you a member of the Communist Party?

Mr. BRIER. No.

Senator MUNDT. Thank you.

Are you an American citizen?

Mr. BRIER. Yes.

Senator MUNDT. Very good. Now would you like to answer that other question? Are you really stealing the money of the men and women who pay the dues, or are you keeping the records the way you should?

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

Senator MUNDT. All right. You have spelled it out pretty clearly on stealing the money. "I didn't attack Victor Riesel. I am not a Communist. I am an American."

On this one, you duck and dodge because you do not want to be caught stealing the workingmen's money; is that right?

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

Senator MUNDT. That satisfies me.

The CHAIRMAN. Mr. Counsel?

Mr. KENNEDY. Mr. Chairman, we have information that Mr. Brier was arrested on August 18, 1952. The charge was assault in the third degree and the charges were later withdrawn.

Is that correct?

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. That on January 11, 1954, on Long Island, he was once again charged with assault in the third degree on an individual.

Is that correct?

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. And that you were convicted on January 13, 1955, and sentenced to 30 days in jail and a \$500 fine?

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. Mr. Chairman, Mr. Brier, according to our information, is presently secretary-treasurer of local 362 of the teamsters.

Senator ERVIN. Mr. Chairman?

The CHAIRMAN. Senator Ervin.

Senator ERVIN. In view of the fact that there is a constitutional prohibition against double jeopardy, I am at a loss to understand how a man could plead the fifth amendment when he is asked whether he has been convicted of a criminal offense, because manifestly he cannot tend to incriminate himself on something which has already been tried and disposed of, because he cannot be tried for the same thing twice.

I respectfully submit that Mr. Brier is trifling with the committee when he pleads the fifth amendment on a question as to whether or not he has been convicted of a criminal offense, for which he cannot be tried again.

The CHAIRMAN. What does the record show—that he has been convicted?

Mr. KENNEDY. Yes.

The CHAIRMAN. How many times?

Mr. KENNEDY. He was charged in 1952 and the charges were withdrawn. They were withdrawn in 1952, Mr. Chairman.

He was convicted in 1954 and the trial was in 1955.

The CHAIRMAN. For what offense?

Mr. KENNEDY. For assault in the third degree, both times.

The CHAIRMAN. Do you want to deny it?

Do you want to let the record stand that way?

(The witness conferred with his counsel.)

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. Have you any further questions?

Is there anything further?

Mr. KENNEDY. That is all.

The CHAIRMAN. Do you feel like you owe an obligation to the people you take this money from?

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. Does your conscience hurt you when you do that?

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. You will remain under recognizance to reappear before this committee at such time as the committee may desire your further testimony. You will continue under the same subpena.

Do you acknowledge this recognizance?

Mr. BRIER. I do.

The CHAIRMAN. You do agree to reappear on reasonable notice?

Mr. BRIER. Yes.

The CHAIRMAN. Do we have your address?

Mr. BRIER. Yes, sir.

The CHAIRMAN. What title shall we put after it?

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. Sir?

Mr. BRIER. I decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. We will try to reach you.

All right. You may stand aside.

(Members present at this point: Senators McClellan, Ervin, Kennedy, Goldwater, and Mundt.)

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Nathan Gordon, Mr. Chairman, who was an officer of local 651 of the teamsters.

The CHAIRMAN. Come forward, Mr. Gordon.

You will be sworn, please. You do solemnly swear that the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GORDON. I do?

TESTIMONY OF NATHAN GORDON, ACCOMPANIED BY COUNSEL, JACQUES M. SCHIFFER

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. GORDON. My name is Nathan Gordon. I reside at 276 East 15th Street, Far Rockaway, N. Y.

The CHAIRMAN. I see you have a prepared statement. Would you like to read it to the committee?

(The witness conferred with his counsel.)

Mr. GORDON. I have no statement, Senator.

The CHAIRMAN. You have no statement. It is my mistake. I thought maybe you had a prepared statement.

Will you tell me your business or occupation?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds that it might tend to incriminate me.

The CHAIRMAN. You think it would?

Mr. GORDON. I beg your pardon?

The CHAIRMAN. Do you think it would?

Mr. GORDON. It may.

The CHAIRMAN. Do you honestly believe that if you told the truth as to your business or your occupation that it might incriminate you?

Mr. GORDON. It may.

The CHAIRMAN. Do you believe you are in that kind of a business, in that kind of an enterprise, that it would be incriminating to a decent American citizen to acknowledge what he is doing? Do you honestly believe that?

Mr. GORDON. Mr. Chairman, I must respectfully decline to answer that question on the grounds it might tend to incriminate me.

The CHAIRMAN. I am going to order you to answer the question. I do not think you can take this capriciously, make use of the fifth amendment capriciously. I am asking you if you honestly believe that you are in such a business or engaged in such an enterprise that, if you acknowledged your activity therein, you believe that a truthful answer would tend to incriminate you. I order and direct you to answer that question, with the permission of the committee.

Mr. GORDON. Mr. Chairman, it may.

The CHAIRMAN. All right.

Proceed.

Mr. KENNEDY. Mr. Chairman, Mr. Gordon is of interest to us because he was the first secretary-treasurer of local 651. That was one of the paper locals that was established. He is the brother of Abe Gordon, who is president of local 805 of the teamsters, and who is very close to John Dioguardi.

It was Milton Hodes, secretary-treasurer of local 805, who appeared here and was the one from whom Sam Getlan received a charter for UAW Local 228. So he has a close tieup.

According to our information, for 1952, this Mr. Gordon's occupation was with the Gordon Liquor Store. In 1953 his occupation was with the Gordon Liquor Store. In 1954 his only source of income, his occupation, was with the Gordon Liquor Store, and in 1955, the Gordon Liquor Store, and in 1956, the Gordon Liquor Store.

However, in November of 1955 he was listed as secretary-treasurer.

You suddenly became secretary-treasurer of Local 651 of the International Brotherhood of Teamsters.

We would like to find out first—we haven't been able to get any information on him before—we would like to find out what your experience has been in the labor field that brought about you getting the highest position in the teamster local 651.

(The witness conferred with his counsel.)

Mr. GORDON. Sir, I must respectfully decline to answer that question on the ground it may tend to incriminate me.

Mr. KENNEDY. Would you tell the committee what conversations preceded your being made secretary-treasurer of teamster local 651?

Mr. GORDON. Sir, I must respectfully decline to answer that question on the ground it may tend to incriminate me.

Mr. KENNEDY. Did the individuals with whom you discussed this matter feel somebody who had been working in the liquor store had good experience to become a secretary-treasurer of a teamster local?

Mr. GORDON. Sir, I must respectfully decline to answer that question on the ground it may tend to incriminate me.

The CHAIRMAN. Do you have a brother?

Mr. GORDON. I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. Is your name Nathan?

Mr. GORDON. Yes, sir.

The CHAIRMAN. Is your brother named Abe?

Mr. GORDON. I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. Do you think your brother's name would incriminate you? Do you honestly believe that?

(The witness conferred with his counsel.)

Mr. GORDON. I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. Do you reckon he is as much ashamed of you as you are of him?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds it may tend to incriminate me.

The CHAIRMAN. I see.

Senator MUNDT. I think we should ask if his brother is a criminal.

If your brother is a criminal, it may incriminate you. Is your brother a criminal?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds it may tend to incriminate me.

Senator MUNDT. You understand, of course, Mr. Gordon, it could not conceivably incriminate you unless your brother is a criminal. If your brother is a criminal, of course, it might. If he is not a criminal, certainly saying "No" would not incriminate you, but by saying what you have said, you incriminate your brother.

I think you should think it over carefully and consult your lawyer. If that is what you should do, it is tough on your brother. That is all I can say.

Mr. GORDON. Mr. Chairman, I must respectfully decline to answer the question on the grounds it may tend to incriminate me.

Senator MUNDT. I think you should order him to do that, Mr. Chairman, because we may be discovering whether his brother is a criminal. This man is implying very clearly to the world that his brother is a crook.

Mr. SCHIFFER. May I respectfully offer an objection?

Senator MUNDT. No. I am talking, Mr. Counsel. I am not a lawyer and I am not going to be confused by you lawyers. I want a simple answer for a country boy. I want to find out if this man's brother is a criminal.

Since we know now that he has a brother, I want to ask him a simple man to man question.

Is your brother a criminal?

Mr. SCHIFFER. If that is the question, Mr. Senator, we offer a respectful objection to the question on the grounds that it is completely impertinent to this inquiry.

Senator MUNDT. You are exactly wrong. Your law education cannot confuse me to that degree, sir. I know it is pertinent, because we are going to discuss the brother. The brother is involved

in this inquiry. I am going to ask the chairman to order the witness to answer.

Mr. SCHIFFER. We offer the same objection.

The CHAIRMAN. The Chair overrules the objection. At any time the Chair makes a ruling, the committee members should understand they can make exception to the Chair. Without a member making such a statement, the Chair understands that the committee supports him in the ruling that he makes. The Chair overrules the objection, and, with the permission of the committee, orders and directs the witness to answer the question.

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. What are you scared of? Who?

Mr. GORDON. Sir, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

The CHAIRMAN. Are you scared of Johnny Dio?

Mr. GORDON. Sir, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. You are not a physical coward, are you?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds that it may tend to incriminate me.

Senator MUNDT. Mr. Gordon, did you file a Federal income-tax report in 1956?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds that it may tend to incriminate me.

Senator MUNDT. The Internal Revenue Service will be interested in that answer, very much interested in that answer. Tell us that again. That is curious. Did you file a Federal income-tax report in 1956, or not?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds that it may tend to incriminate me.

Senator MUNDT. Did you put something in that income-tax report with which you endeavored to deceive the Government?

Mr. GORDON. Senator, again I repeat, I must respectfully decline to answer the question on the grounds that it may tend to incriminate me.

Senator MUNDT. Did you file a fictitious income-tax report with the Federal Government, a fraudulent one? Did you lie to the Government in your income-tax report?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds that it may tend to incriminate me.

Senator MUNDT. In other words, Mr. Gordon, you did not file an honest income-tax report with the Federal Government?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds that it may tend to incriminate me.

Senator MUNDT. There are a lot of young men that get in trouble for filing fraudulent income-tax reports with the Federal Government, Mr. Gordon. You are inviting trouble, if that is going to be your answer. I am surprised when a citizen stands up and says, "I don't dare answer the question whether I file an income tax with the Federal Government, because, if I do, I am in trouble. I am incriminating myself."

There is something there that is wrong. That is a tough outfit to duck, to be conservative, and so is the FBI. I think you should think

that over carefully. Your lawyer, he is out practicing law tomorrow and maybe you are answering questions of the Secret Service. I am not trying to get you in trouble. I am trying to get an answer.

Did you really file a fraudulent income-tax return with the Federal Government in 1956? Did you lie to them? Did you try to cheat the Government? And, if so, do you think you are going to get by?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds that it may tend to incriminate me.

Senator MUNDT. You can invite all the trouble you want for yourself. I cannot stop you.

Senator KENNEDY. As I understand from the counsel, local 651 was a paper local with no membership. Was it used for voting in the 1956 election?

Mr. KENNEDY. Yes.

Senator KENNEDY. In the teamsters election?

Mr. KENNEDY. Yes.

Senator KENNEDY. Is it now in existence?

Mr. KENNEDY. This really never got off the ground. It got off the ground enough to vote, but it never got any members. Although it filed a document with the international indicating that it had 285 members and paid per capita fees in January of 1956 of \$114, from our investigation and examination of local 651 it never had any members and never operated at all.

Senator KENNEDY. In the election to decide who would be the head of the teamsters in New York, between O'Rourke and Lacey, this local had seven votes?

Mr. KENNEDY. Yes.

Senator KENNEDY. Did they vote them?

Mr. KENNEDY. They voted all seven votes.

Senator KENNEDY. Does the staff have a record of where the \$114 came from?

Mr. KENNEDY. No.

Senator KENNEDY. Did it come from union dues?

Mr. KENNEDY. No. It gave them a semblance of respectability when they could file that they had members. But they had no members.

Senator KENNEDY. I understand that these men are in association with Johnny Dio?

Mr. KENNEDY. Yes. Dio used the headquarters of 805, of which Mr. Gordon is president.

Senator KENNEDY. So, there is an implication that Mr. Dio was responsible for setting up Mr. Nathan Gordon as secretary-treasurer of local 651 so the seven votes could be used in a close election to control the teamster organization of New York, and, once the voting was over, then this local went out of existence?

Mr. KENNEDY. What we know, Senator, is that Mr. Hoffa telephoned to the international headquarters here in Washington and requested that these locals be seated. Their votes then were cast for Mr. John O'Rourke.

Senator KENNEDY. Then this one went out of existence?

Mr. KENNEDY. Yes.

Senator KENNEDY. I understand that Mr. Nathan Gordon's brother, Abe Gordon, is head of a trucking company. Therefore, he is an em-

ployer and, at the same time, he is president of local 805 of the teamsters.

Mr. KENNEDY. Yes.

Senator KENNEDY. So he owns trucks and represents employees in dealings with employers?

Mr. KENNEDY. Yes. He is president of the Gordon Trucking Co. and president of local 805, and is the man whom we are interested in in connection with another investigation.

Senator KENNEDY. It is forbidden by the ethical practices committee of the AFL-CIO to be an employer. I hope that the teamsters, now that this matter has been brought to their attention, will take action, and have this Abe Gordon end his connection with the labor movement. As Mr. Abe Gordon never had any experience, we understand, with this, they should make sure that he is not permitted to hold an office again.

The CHAIRMAN. The Chair hands the witness a photostatic copy of an application for a charter for local No. 651, consisting of 2 pages; also an invoice reciting an organizational fee of \$15, together with an International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers contract, which bears the name of Nathan Gordon, and certifies that Nathan Gordon is secretary-treasurer of Teamsters Local 651. That certification is dated December 1, 1955.

I present the document to the witness, and direct him to examine it, and state whether or not he identifies it.

(Document handed to witness.)

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I have seen the exhibit.

The CHAIRMAN. The document may be made exhibit No. 67

(The document referred to was marked "Exhibit 67," for reference, and will be found in the appendix on pp. 4460-4463.)

The CHAIRMAN. I ask you to look particularly at the fourth page of the document, the charter certificate. I ask you to examine it.

Can you read?

Mr. GORDON. I have examined the document, sir.

The CHAIRMAN. Can you read?

Mr. GORDON. I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. The Chair orders and directs you to read that document.

Hand it to him.

(Document handed to witness.)

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds it may tend to incriminate me.

The CHAIRMAN. I did not ask you to answer a question.

With the permission of the committee, the Chair is ordering and directing you to read the document.

Let us have order, gentlemen.

Either get out and stay out or be quiet.

(The witness conferred with his counsel.)

The CHAIRMAN. Let us proceed.

Mr. GORDON. Senator, I have read the document.

The CHAIRMAN. I direct you to read the document into the record. Read it out loud.

Mr. GORDON. Sir, I must respectfully decline to answer the question on the grounds it might tend to incriminate me.

The CHAIRMAN. It is not a question. It is an order.

Mr. SCHIFFER. I respectfully make an objection, Mr. Chairman, to the direction.

The CHAIRMAN. Objection is overruled.

You are ordered and directed to read that document.

Then you can make any explanation about it that you desire.

Mr. SCHIFFER. As I take it, Mr. Chairman, he was directed to read the document orally?

The CHAIRMAN. Yes, sir; to read it into the record, to read it for the record. That is an order. It is not a question.

(The witness conferred with his counsel.)

Mr. GORDON. The title is "International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers."

The CHAIRMAN. A little louder, so we can hear you.

Mr. GORDON. "Charter contract."

(The witness conferred with his counsel.)

Mr. GORDON. I have identified the document, Senator.

The CHAIRMAN. I have ordered you to read the document. That order still stands.

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds that it may tend to incriminate me.

The CHAIRMAN. I have not asked you a question. I have ordered and directed you to read that document. You started to read it, so I know you can read it.

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds it may tend to incriminate me.

The CHAIRMAN. The Chair is not asking you a question. There is a pending order and he directs you to read the document. That is not a question.

Mr. GORDON. Senator, to comply with the order of the Chair may tend to incriminate me.

The CHAIRMAN. The order still stands.

The document speaks for itself.

Do you want to read it? Do you want to carry out the order and direction of the Chair, or do you want to refuse?

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I prefer someone on the committee doing it.

The CHAIRMAN. I did not understand you.

Mr. GORDON. Senator, I prefer someone on the committee to read it.

The CHAIRMAN. The committee prefers that you read it.

(The witness conferred with his counsel.)

The CHAIRMAN. I either want you to read it or refuse to do so.

Mr. GORDON. Senator, I respectfully decline to answer the question on the grounds it may tend to incriminate me.

The CHAIRMAN. Keep this record straight. There is no question. There is an order and direction to you to read the document.

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I must respectfully decline to read the document on the grounds it may tend to incriminate me.

The CHAIRMAN. You refuse, then? You can answer that question, can you not?

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I refuse to read the document on the grounds that it may tend to incriminate me.

The CHAIRMAN. All right, gentlemen.

This matter will be taken up in executive session.

I want to find out whether a witness can see a document, recognize it, and refuse to read it when it bears his own signature.

You recognize your signature, do you not?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. This is the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers, charter contract.

Know all men by these presents, that I, Nathan Gordon, secretary-treasurer of teamsters local 651, located at 19 West Columbia Street, West Hempstead, Long Island, being authorized to act for said local, in consideration of the general secretary issuing a charter to said local, hereby agree that said charter shall remain the property of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers, and in consideration of the premises herein stated agree that when charter is framed, the frame shall immediately become the property of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers. Said local union shall have custody of said charter until it is demanded by some person authorized to make such demand in writing or in person, and the charter and frame shall then be delivered to the person authorized to demand and procure the same, or mailed as requested. It is further agreed that any person authorized may enter any premises occupied by said local for any of its members, and take possession and remove said charter.

There appears a signature here of Nathan Gordon.

Underneath it says:

By secretary-treasurer or other authorized person, dated December 1, 1955.

Mr. Gordon, is that your signature to this document?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

The CHAIRMAN. Do you think being a member of that union and an officer in it, and accepting and receiving a charter under those conditions, might incriminate you?

Mr. GORDON. It may, Senator.

The CHAIRMAN. Do you not think that is a reflection upon all honest working union members, for you to take a position that to be associated with the union that is supposed to be legitimate, to cast a reflection like that, to make a statement like that, do you not think it reflects upon the integrity of the organization and the members thereof?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

The CHAIRMAN. Or do you rather think the membership is fine and they are all right, the only trouble is they are being imposed upon by people who find it necessary to take the fifth amendment when interrogated about whether they are officers of that union?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

The CHAIRMAN. Are there any further questions?

Senator GOLDWATER. Mr. Chairman?

The CHAIRMAN. Senator Goldwater.

Senator GOLDWATER. Mr. Gordon, are you under indictment now? (The witness conferred with his counsel.)

Mr. SCHIFFER. May I answer the question for the witness?

Senator GOLDWATER. I wanted the witness to answer.

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

Senator GOLDWATER. Then I will ask your attorney.

Is Mr. Gordon under indictment at this time?

Mr. SCHIFFER. Not to my knowledge. He had been under an indictment, and that was resolved—at least, he was held for contempt of an order of the grand jury. That case was resolved in the Circuit Court of Appeals in New York, the Second Circuit, and a conviction had been unanimously reversed in favor of this witness. The language of the court on appeal said, "He need not answer any of the questions put to him" and those questions are related to the questions put to this witness at this inquiry.

Senator GOLDWATER. Mr. Gordon, are you under subpoena by the grand jury at the present time?

(The witness conferred with his counsel.)

Mr. GORDON. I am not, Senator.

Senator GOLDWATER. You are not.

Did you contact Mr. Schiffer to come down and present you here?

(The witness conferred with his counsel.)

Mr. GORDON. I prefer my counsel answer that.

Senator GOLDWATER. I would like to ask the counsel the question that I would get to ultimately anyway, to save time.

Mr. Counsel, you have represented men here of 651, 649, 362, and 284. Were you contacted by these locals or were you contacted by the joint council to represent them?

Mr. SCHIFFER. I was not contacted by any of the individuals or locals that you just mentioned, Senator. I was contacted by Mr. Hodes personally when he received his original grand-jury subpoena in New York which I referred to during the course of his testimony, and then came down here with him.

As a matter of fact, until the investigation here commenced, and the newspaper publicity began, I knew nothing or had never heard about those particular locals. I had no interest in them.

Senator GOLDWATER. This has the appearance that you are representing the joint council, because you have been here with members of locals, four in number. It seems rather strange, or it might be a coincidence, that you are so well liked by the people up there that four different locals hired you.

Mr. SCHIFFER. No four locals, Mr. Senator. I tried to set the record straight there. Mr. Hodes, individually, is the man I came down here to represent, among others.

Senator GOLDWATER. You are with Mr. Gordon now. How did that come about?

Mr. SCHIFFER. I happen to know his family very well.

Senator GOLDWATER. How about Mr. Brier?

Mr. SCHIFFER. I explained for the record that his own attorney had taken ill this morning. He was going back to New York and he asked me to sit in for Brier.

Senator GOLDWATER. When you send in your bill, will you send it to the joint council, or will you send it to Mr. Hodes?

Mr. SCHIFFER. My bill for Mr. Hodes will go to 258, and my bill for this witness goes to him personally.

Senator GOLDWATER. How about Mr. Brier?

Mr. SCHIFFER. I sat in for another attorney who took ill and I will not charge for that service.

Senator GOLDWATER. You are not working for the joint council?

Mr. SCHIFFER. I don't know who they are.

Senator ERVIN. Mr. Gordon, how old are you?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds it might tend to incriminate me.

Senator ERVIN. Are you married?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

Senator ERVIN. You might reconcile your differences on that answer with your wife, if you have one, when you get home. Have you any children?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it might tend to incriminate me.

Senator ERVIN. Did you assist in the operation of the Gordon Liquor Store?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

Senator ERVIN. Mr. Gordon, can you think of a single thing that has ever occurred between the time that the morning stars sang together for glory and this hour, that you could reveal to us without incriminating yourself?

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

Senator ERVIN. That is all.

The CHAIRMAN. Senator Mundt?

Senator MUNDT. This is not exactly in the nature of a question, but I would like to say this, that while I very much doubt that all the perfumes of Arabia could erase the stench of this racket-ridden union situation in New York City, occasionally something encouraging and gratifying does develop. This affords a Republican an opportunity to say something good about a Democrat in New York City. I notice in the paper that Mayor Wagner is calling a conference as a direct consequence of the hearings of this committee for the purpose of exploring the injustices which are being committed by the racketeers in the labor union movements in New York City, injustices in the main appearing to be against immigrants, Puerto Ricans, uneducated Negroes, people who need help, assistance, and protection, and good lawyers to protect them.

I want to commend the mayor on taking that step.

It seems to me before we clean this thing up it will require the cooperation of public officials and law enforcement agencies.

I think it requires the cooperation of highminded and proper-minded union officials. It certainly is going to require legislative action on the part of the Congress of the United States.

I simply would like to commend the mayor of New York for having started in one particular segment, the mopping up and cleaning up process which is so long overdue.

The CHAIRMAN. Senator Kennedy?

Senator KENNEDY. In addition to the mayor, I would like to also say how helpful District Attorney Hogan has been, Frank Hogan, in New York, to the committee in preparing its cases and in following up the hearings that the committee is now carrying on.

The CHAIRMAN. Thank you very much.

Now if we can get the cooperation of some of the people that presumably represent honest working people, we might do some good.

Would you be willing to cooperate now after these statements?

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

Senator GOLDWATER. Mr. Chairman?

The CHAIRMAN. Senator Goldwater.

Senator GOLDWATER. Mr. Gordon, are you afraid of Johnny Dio?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

Senator GOLDWATER. He is a pretty rough individual. I understand he just hit one of our photographers.

Do you think he would hit you, too?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

The CHAIRMAN. Are there any further questions?

Senator MUNDT. One other question. I think Senator Ervin asked the witness how old he was. If I remember, he declined to answer the question on the grounds of self-incrimination.

Is that right?

The CHAIRMAN. That is correct.

Senator MUNDT. I would like to ask the witness whether he has ever served in the Army, Navy, Air Force, or any of the armed services of the United States.

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

Senator MUNDT. Let us explore that a little bit. Of course, if you had served in the armed services of the United States, that could not conceivably incriminate you. I am sure you would agree with that. I will imagine, though I do not want to bet any money on it, that the Supreme Court would also hold that that would not be a reason for self-incrimination.

If, for any reason, you had violated the draft, or had done anything of that nature, it would be self-incriminating. There is no incrimination involved in saying that you have served or have not served in the services of the United States, unless, through some illegal procedure, you have failed to fulfill the duties usually expected of young Americans.

I simply ask you the question in good faith. Have you ever served the colors of your country in any capacity?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

Senator MUNDT. Mr. Chairman, I think we should order the witness to answer that. It does have some pertinency, it seems to me, in these hearings because it would tend to establish the whereabouts of this individual during a certain portion of his lifetime.

The CHAIRMAN. State the question again.

Senator MUNDT. The question is: Has Mr. Gordon ever served in any of the branches of the armed services of the United States?

The CHAIRMAN. And your answer, Mr. Gordon?

Mr. SCHIFFER. May we offer a respectful objection, Mr. Chairman, on the grounds that the question is not pertinent to this inquiry?

Senator MUNDT. The question is very pertinent, because we are trying to find out something about Mr. Gordon, where he was and what he was doing at some particular phase of his lifetime. If we can establish his whereabouts in the armed services of the United States, it would tend to provide information as to whether or not he may have been doing some of these other things we suspect he has been doing.

The CHAIRMAN. The Chair just as respectfully overrules the objection on the basis that a witness appearing before this committee, or any court, questions as to his background are relevant. It goes to the credibility of the witness testifying.

This witness has refused to testify. I see no reason why those questions could not be asked so that we might weigh the answer if an answer is given, or the refusal to give an answer, in our deliberations with respect to determining the kind of characters today that are in control of some unions.

Therefore, the Chair orders and directs you to answer the question, with the permission of the committee.

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds it may tend to incriminate me.

The CHAIRMAN. Do you have any conscience at all with respect to a sense of obligation and duty as a citizen, and to the people who are working and paying dues to the union that you represent?

Mr. GORDON. Senator, I must respectfully decline to answer the question on the grounds that it may tend to incriminate me.

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. I would like to get some documents in.

No. 1, I would like to point out: In local 651, the stationery that is used gives the address of 19 West Columbia Street. That is exhibit No. 62. It is 19 West Columbia Street. We have gone to 19 West Columbia Street and it is a fictitious address. All it is is an open field.

Would you explain that to us? That is the headquarters of local 651 of the teamsters.

The CHAIRMAN. This document has been made exhibit No. 62, and it was presented to you earlier. It is a letter signed by Nathan Gordon, secretary-treasurer, to the joint council, requesting that the officials be seated, certain named officials be seated.

I believe this document was presented to Mr. Hodes.

It requests that certain officials be seated representing local union 651. It bears your signature. What do you know about the address given on this letterhead?

I will present it to you. It shows 19 West Columbia Street.

Present it to this witness and let him have an opportunity to see the address on that letter.

(Document handed to witness.)

(The witness conferred with his counsel.)

Mr. GORDON. I have examined the document, Senator.

The CHAIRMAN. Do you see the address on it?

Mr. GORDON. I do, Senator.

The CHAIRMAN. And that address is what? 19 West Columbia Street?

Mr. SCHIFFER. Yes, sir.

The CHAIRMAN. Does that address exist?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. Have you ever been to that address?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. The information of the committee is that, by personal observation of members of the staff, that address is simply a field, there is no office, no building, no accommodation for an office. Do you want to deny that?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

The CHAIRMAN. Was that a part of the scheme of setting up these fictitious locals, to give spurious addresses?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds the answer may tend to incriminate me.

The CHAIRMAN. Are those facts within your knowledge?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds the answer may tend to incriminate me.

Mr. KENNEDY. Mr. Chairman, subsequently, the information we have is, as we can tell from the stationery, it was changed from 19 West Columbia Street to 119 West Columbia Street, which was the old address of local 228. It was the same headquarters of 651 and 362 of the teamsters. Bills on which we have had testimony were paid for out of local 649.

These show the credentials to vote in the election and this document is the credential of Mr. Nathan Gordon, specifically.

The CHAIRMAN. I hand you here two documents, one dated February 2, 1956, addressed to the Joint Council No. 16 on Warehouse Employees Union Local 651 stationary, showing the address has been changed to the 119 West Columbia Street by printing over the 19, as the stationary was originally printed.

This letter is signed by Nathan Gordon, secretary-treasurer.

I ask you to examine it.

It will be made an exhibit.

Then I present to you another letter dated February 2, 1956, on the same stationery, showing the same change of address of the local or headquarters of the local. It is addressed to joint council and certifies that Nathan Gordon is an executive board member of local union 651 and is eligible to vote in the joint council election. It is signed by Nathan Gordon.

Examine both documents and state if you identify them,

(Documents handed to witness.)

(The witness conferred with his counsel.)

Mr. GORDON. Senator, I have examined the exhibits.

The CHAIRMAN. The first one that I presented to you will be made exhibit No. 68, and the second one will be made exhibit No. 69.

(The documents referred to were marked "Exhibits 68 and 69," for reference and will be found in the appendix on pp. 4464-4465.)

The CHAIRMAN. Are you the same Nathan Gordon referred to in these documents?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

The CHAIRMAN. Did you attend that meeting and vote?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds that it may tend to incriminate me.

The CHAIRMAN. Is the reason you refused to answer that you think it might incriminate you because of the fact that you know it is a phony local and that you were set up solely for the purpose of providing votes and to control an election?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. Are there any other questions?

Mr. KENNEDY. I just want to say, Mr. Chairman, that the vote was cast with that credential, and the vote cast under the name of Nathan Gordon was impounded and was a vote cast for Mr. John O'Rourke.

The CHAIRMAN. Do you want to deny that statement?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. Will you agree that you have been given every opportunity here this morning to tell what you know about these matters about which you have been interrogated? You will agree to that; will you not?

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. Do you have any suggestion, then, of any questions that we have overlooked.

Mr. GORDON. Senator, I must respectfully decline to answer that question on the grounds it may tend to incriminate me.

The CHAIRMAN. You will remain here during the rest of the day, and if you happen to think of any will you let me know?

Mr. GORDON. I will.

The CHAIRMAN. Thank you. You may stand aside. You will remain under the same subpoena, under recognizance to return to the committee for further testimony at such time as it may desire further testimony from you.

You will acknowledge that recognizance, so it will not be necessary for you to be resubpenaed. Do you acknowledge such recognizance?

Mr. GORDON. I do, sir.

The CHAIRMAN. You agree to reappear on reasonable notice?

Mr. SCHIFFER. Shall this witness remain in Washington just for this afternoon?

The CHAIRMAN. He will remain here during the remainder of the hearings today, yes, sir. He may think of something I have overlooked.

The committee stands in recess until 2 o'clock.

(Whereupon, at 12:03, the committee recessed, to reconvene at 2 p. m., the same day.)

(Members present at the taking of the recess: Senators McClellan, Kennedy, Ervin, Goldwater, and Mundt.)

AFTERNOON SESSION

The CHAIRMAN. The committee will be in order.

(Members of the select committee present at the convening of the session: Senators McClellan, Ives, Kennedy, Mundt, and Curtis.)

The CHAIRMAN. The next witness the committee will hear is Mr. Johnny Dioguardi.

Before we proceed, Mr. Counsel, do you wish to make a brief statement?

Mr. KENNEDY. Well, the importance of this witness is not only his background, Mr. Chairman, but the people that he brought into the labor-union movement starting back in 1950.

As we have had testimony before, during 1950 he came into local 102 and at the same time he was operating a nonunion shop. One of the first major locals that he established was 649, and he had appointed as trustees Topazio, and Mr. Cohen.

Shortly after he appointed them as trustees they were picked up on extortion. Then he established a local down in Philadelphia, local 138, and he appointed as the head of that local a man by the name of Abe Goldberg, who had just been convicted of extortion.

He established local 198 and Mr. Gasster and Mr. Cohen, took over that local. Within 3 weeks of the time they received a charter they were picked up on extortion.

Then local 227 was established and the three individuals including Max Chester that came into that local had just been kicked out of another international for shaking someone down.

Local 228 was established and it became a bouncing charter. The international said it did not exist, but we found out through testimony here that the charter existed and ultimately was given out by a member of the teamsters union.

In local 224 and local 250 we have had testimony before this committee that contracts were made that were "sweetheart" contracts and that the officials of those two unions, local 224 and local 250 made these sweetheart contracts with management to the detriment of the employees who were mostly of Puerto Rican extraction.

Local 355 was given a charter. The charter was granted through Harold Krieger of New Jersey and it was given to a man with a Communist background, and that man then proceeded to organize a company and made an arrangement, Mr. Tolkow made an arrangement, with the company that some \$24,000 that had been paid of union members' due were not transmitted to the local.

Then he established about 7 or 8 other locals that were all paper locals and never got going.

The CHAIRMAN. Will you stand and be sworn.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DIOGUARDI. I do.

TESTIMONY OF JOHN DIOGUARDI, ACCOMPANIED BY HIS COUNSEL,
WILLIAM W. KLEINMAN

The CHAIRMAN. State your name, your age, and place of residence.
(The witness conferred with his counsel.)

Mr. DIOGUARDI. My name is John Dioguardi, 109 Freeport Avenue, Point Lookout, age 43.

The CHAIRMAN. The Chair respectfully announces that Senators have other duties besides this investigating assignment. That is a roll-call vote and therefore it will be necessary for the committee to recess so members can vote.

Just a moment, the committee has not recessed. Let us have order, please.

During the absence of the chairman of the committee, and the committee, I wish the police in charge here to stand near and stand by the witness and permit no one to make personal contact with the witness, and keep the crowd back and keep order.

Any violation of that instruction either on the part of the witness or anyone in this audience will be dealt with. This is a proceeding that is of some importance and we want to conduct it certainly properly and we hope effectively.

The policemen will take charge. In the meantime, there will be no pictures made until the committee returns.

(Thereupon, a recess was taken.)

(The hearing resumed at 3:25 p. m., Senator McClellan presiding. Present at the reconvening of the hearing were Senators McClellan, Ives, McNamara, Mundt, Goldwater, Ervin, and Curtis.)

The CHAIRMAN. The committee will come to order.

The Chair makes this observation: We had to recess for the reason that there were some 4 or 5 rollcall votes in the Senate. We think now there will be no other votes this afternoon, and we are hopeful that we can proceed without interruption until we are through with this witness, or until it is indicated we cannot conclude with him today.

Mr. Dioguardi, the Chair had asked you a question and requested that you state your name, your place of residence, and your business or occupation.

Will you repeat your answer, please, sir?

(The witness conferred with his counsel.)

Mr. DIOGUARDI. My name is John Dioguardi. I reside at 109 Freeport Avenue, Point Lookout, N. Y.

The CHAIRMAN. Is that all of the answer you intend to give at this time?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. The reason the Chair asked you that was to make certain.

I had a letter from your counsel dated August 6——

Are you Mr. Kleinman?

Mr. KLEINMAN. I am, sir.

The CHAIRMAN. Mr. William W. Kleinman. And you will identify yourself for the record?

Mr. KLEINMAN. My name is William W. Kleinman, and I am counsel to the witness, John Dioguardi. My office is at 66 Court Street, Brooklyn, N. Y.

The CHAIRMAN. Thank you very much.

I had your letter of August 6, requesting as follows:

I have been instructed by my client, Mr. John Dioguardi, to request that during his testimony, television, motion pictures, and other cameras and lights shall not be directed at him, pursuant to rule 8 of the rules of procedure of your committee.

Then you make other statements in your letter.

It is the policy of this committee, and has been generally, where a witness requests that pictures not be taken of him during the course of his testimony, the committee has usually granted it. Under the rule it is still left to the discretion of the committee.

But we have had a kind of rash of fifth-amendment people in lately, and in reviewing that rule and in setting a precedent with respect to such requests, the committee has concluded that if all one is going to do is take the fifth amendment, pictures and lights cannot be much of a distraction.

Let us have order, please.

Therefore, I thought just before we recessed that he had failed to answer as to his business or occupation.

Now, I will say to counsel, if you can assure the committee that your witness or your client will cooperate and answer all pertinent questions that may be directed to him, then the committee will be glad to consider the request that lights and motion pictures, and so forth, be turned off.

Mr. KLEINMAN. I cannot give you such an assurance, Senator.

The CHAIRMAN. I am very sorry, sir, that under those circumstances it will be the Chair's ruling that we will not be able to accommodate the witness' request.

Senator IVES. I would like to clear up something at the outset of this, and I am sure the witness will be able to answer this question:

I have heard the witness' name pronounced two different ways, "Diogardi" and "Dioguardi," and I thought I understood him to pronounce it "Diogardi." Is that correct?

(The witness conferred with his counsel.)

Senator IVES. Do you have to consult your attorney on that?

Mr. DIOGUARDI. I pronounce it "Diogardi."

Senator IVES. Without the "u" being pronounced?

Mr. DIOGUARDI. Yes, sir.

Senator IVES. I am very glad to get that cleared up.

Now, maybe you can clear up one other thing before I leave you, and this ought not to be too difficult and should in no way incriminate you, that I can see.

Are you acquainted with Mr. John J. O'Rourke?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the grounds that the answer may tend to incriminate me.

The CHAIRMAN. Were you reading that statement?

(The witness conferred with his counsel.)

The CHAIRMAN. Let us have order, please.

Mr. DIOGUARDI. Yes, sir.

The CHAIRMAN. Thank you very much.

Senator IVES. May I ask another question?

Will the witness please tell me if he is acquainted with Mr. James Hoffa?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator IVES. Do you think that is very flattering where those two gentlemen are concerned?

Mr. DIOGUARDI. I claim my privilege under the fifth amendment to the Constitution of the United States.

Senator IVES. All right.

The CHAIRMAN. It becomes apparent that the witness is set on a definite course of invoking the fifth amendment. We were unable to get assurances from his counsel that he would cooperate and answer all pertinent questions that might be directed to him and, therefore, for the record and so that the witness himself may understand from the very beginning the general information, not all of it, but the general information that this committee has with regard to him and his background and his activities, the Chair will make the following statement as to the information the committee has.

That is that John Ignatius Dioguardi was born in New York City on April 29, 1914, that he was the oldest of 3 sons born to Dominick and Rose Plumeri Dioguardi.

He completed high school and thereafter attended Stuyvesant High School in New York City for approximately 1½ years, after which he left school and began to work with his father in the yeast delivery business.

Dioguardi was married on September 27, 1945, in New York City to the former Anne Chrostek. With their adopted children, Dominick and Rose, each approximately 16 years of age, the Dioguardis reside at 109 Freeport Avenue, Point Lookout, Long Island, N. Y. This residence was valued at approximately \$25,000 in 1956 and was mortgaged for approximately \$8,700 at that time.

Thomas Dioguardi, with aliases Tommy Dio, Tom Dio, Gaetano Dioguardi, Tommy Dioguardi, Thomas Dioguardia, a brother of John Dioguardi, was born on October 29, 1915, in New York City.

His arrests during the period 1931 through 1936 were on charges including those of assault and robbery, on which the final charge was changed to juvenile delinquency, possession of a stink bomb and vagrancy.

He was a licensed manager of prizefighters and reportedly has been a principal in several garment firms. It has been alleged that Thomas Dioguardi is a racketeer in the New York City garment area and is engaged in the organized crime setup in Manhattan.

Frank Dioguardi, the third of the Dioguardi brothers, was born on December 13, 1917. He is reportedly the least important of the three brothers and lives on the reputation of John and Thomas. He has been arrested on charges including those of rape, homicide-shooting, concealed weapons, unregistered still, and theft from interstate shipment.

James Plumeri, with alias Jimmy Doyle, is an uncle of the Dioguardi brothers. He is a convicted extortionist, who is reportedly associated with the organized crime setup in the New York City area.

It has been reported that John Dioguardi's employment history has included the following:

Employment	Position	Period
Dominick Dioguardi	Yeast delivery	Approximately 1929.
Five Boroughs Trucking Association	Membership solicitor	Approximately 1931.
L. & D. Automotive Service, Inc., 179 Ludlow St., New York City.	Secretary-treasurer, incor- porator.	1936.
Doray Sportswear Co., 519 8th Ave., New York City.	Employee	Not known.
R. X. Laboratory, 118 Forsythe St., New York City.	do	1940.
Guild Sportswear Co., Inc., 519 8th Ave., New York City.	Production man	May 1940.
Roma Sports Co	Employee	December 1940.
Gayles, Inc., 519 8th Ave., New York City ..	Secretary-treasurer	1940
United Sportswear Co., 72 Spring St., and 1715 Broadway, New York City.	Partner	1941.
Fashions From New York, 35 Meadow St., Brooklyn, N. Y.	Proprietor	June 1941.
Victory Sportwear Co., 21-23 Waverly Pl., and 72 Spring St., New York City.	do	February 1944.
Fanfare Fashions Co., 240 West 35th St., New York City.	Partner	May to September, 1945.
Rosemary Fashions, Inc., 145 West 27th St. and Hotel McAlpin, New York City.	President	May 1946.
Reed Shoulder Pad Corp., 145 West 27th St., New York City.	do	1947.
Three Brother Dress Corp., 144 North 7th St., Allentown, Pa.	do	1948.
Storkline Fashions, Inc., New York City ..	do	1949-50.
Martin Pinto, Inc., 35 Meadow St., Brook- lyn, N. Y.	Employee	1950.
Lady Fair Fashion, Inc., 88-90 Forest St., Jersey City, N. J.	Production manager	1950-51.
Local 102, UAW-AFL	Business manager	1950-52.
Welfare fund, Local 102, UAW-AFL	President	1952.
UAW-AFL	Eastern regional representa- tive.	1951-53.
Local 649, UAW-AFL	President	1952-54.
Equitable Research Associates, Inc., 250 West 57th St., New York City.	Labor consultant	1955-56.

John Dioguardi was arrested during his teen-age years for coercion and conspiracy. On one charge he was acquitted and the other charge was dismissed. In 1936 he was arrested for vagrancy and in 1937 he was arrested for extortion. He was discharged in both instances.

On July 26, 1937, he was sentenced to 3 to 5 years in Sing Sing Prison for extortion. He was subsequently paroled on May 5, 1940.

Dioguardi was arrested on October 30, 1944, in the Newark, N. J., area in connection with the possession of a still.

On April 14, 1953, he was arrested in New York City on two counts, charging violation of New York State tax laws.

On April 5, 1956, in New York City, Victor Riesel, syndicated labor columnist, was attacked by Abraham Telvi, who threw sulfuric acid upon his face, with the result that Riesel is blind.

On August 28, 1956, John Dioguardi was arrested and charged with violation of title 18, section 271, United States Code, which charge arose out of the attack on Riesel.

Upon arraignment before a United States commissioner in the southern district of New York, New York City, Dioguardi's bail was set at \$100,000. Trial has been postponed because of the refusal of certain key witnesses to testify.

In connection with this case, Goldolfo Miranti, with alias Shiekie; Joseph P. Carline, with alias Joe Pilo; Charles Carlino, with alias Woppie; Leo Telvi; Theodore Rij, with alias Teddy Ray; Domenico Bando, with alias Nick; and Charles Tusio were also arrested.

All were indicted on a charge of conspiracy to obstruct justice and to cause the unlawful flight of Abraham Telvi from the State of New York to avoid prosecution for the crime of maiming. The prosecution of Goldolfo Miranti, Leo Telvi, Domenico Bando, and Joseph P. Carlino was severed. Carlino pled guilty. The remaining three were convicted after a jury trial in the southern district of New York.

John Dioguardi in 1955 and 1956 was vice president of Equitable Research Associates, Inc., formerly of 250 West 57th Street, New York City, and now of 7 West 44th Street, New York City.

Records of the New York County clerk's office reflect Equitable Research Associates Inc., filed a certificate of incorporation on March 1, 1955. These records contain no information as to the identity of the officials of Equitable Research Associates, but members of the board of directors of the corporation, whose addresses were listed as 457 Fifth Avenue, New York City, as follows:

Noah Braunstein, Joseph L. Goldfine, Pauline Caplan, Judith Kirschenbaum.

Garment industry connections:

An article appearing in the New York Times on May 11, 1933, captioned, "Trucking Racket Brings Three Arrests," reflected that three officers of the Five Boroughs Truckmen's Service Association, 225 Lafayette Street, were indicted on May 10, 1933, on charges of coercion, conspiracy, and assault.

These officers were James Plumeri, with alias Jimmy Doyle, aged 31, 170 Forsythe Street, president; and John Dioguardi, aged 22, 172 Forsythe Street, and Dominick Didato, aged 36, 33-38 102d Street, Corona, Queens, both "business organizers." Additional articles in the New York Times reflected this indictment was later dismissed.

John Dioguardi has been reported to have been connected with the Garment Center Truck Owners Association, Inc., 202 West 40th Street, New York City, prior to 1937 in a capacity whereby he met with representatives of certain labor organizations in the garment field.

An article appearing in the New York Times on March 20, 1937, captioned, "Two Seized in Drive in Truck Racket," reflected that Plumeri and Dioguardi, regarded as important gangsters in racketeering operations in the garment industry, were arrested on March 19, 1937, for extortion of an unspecified sum, running to thousands of dollars from two associations of truck operators.

The associations were listed as the Garment Center Truck Owners, Inc., 1440 Broadway, and the New York and Brooklyn Coat & Suit Truckmen's Association, Inc., 303 West 38th Street.

According to this article, the operations of Plumeri and Dioguardi had no connection with unions, and their dominance of the two trucking associations had been gained only by strong-arm work. The method by which the money was extorted was said to have been that of threatening physical violence against truck operators, throwing of stench bombs into trucks and places of business, placing emery and other destructive substances in truck motors, and similar acts or threats of violence.

An article in the New York Times on March 24, 1937, captioned, "Truck Racket Case of 1933 Revived," reflected that Plumeri and Didato (deceased), and Dioguardi were indicted on March 23, 1937,

for extortion and assault with business accounts rather than money being involved in extortion.

The indictment charged that Plumeri and Didato took over the Five Boroughs Truckmen's Service Association in 1932 and there followed a series of assaults, property destruction, and extortion.

Victims listed in this article were the Dependable Transportation Co., Samal's Service Delivery, Inc., King Transfer Co., Wolf Package Depot, and the Gardner Transportation Co.

A subsequent article in the New York Times on May 5, 1937, disclosed that Dioguardi and Plumeri were named in an indictment charging them with the extortion of \$15,000 from the Garment Center Truck Owners Association, Inc., 1440 Broadway.

On June 3, 1937, the New York Times reported that the trial of Plumeri and Dioguardi, his nephew, both of whom had been confined in the Tombs in default of \$50,000 bail each, since their arrest on March 19, 1937, commenced on June 2, 1937.

Subsequent articles reflected that the trial continued until June 10, 1937, when Dioguardi and Plumeri pleaded guilty to all charges in the indictment after the State had rested its case.

According to the newspaper articles, during the trial of Dioguardi and Plumeri, one William M. Brown, a truckman, testified that he was threatened, his brother was beaten, and one of his trucks was rendered useless by emery powder in its oil.

He said Plumeri had bragged that he and his associates had a system "99 percent good," and that 67 complaints had been made against them to authorities in the previous year with no resulting convictions. Another witness testified that he had been forced to pay \$500 a month for the protection of his trucks.

In 1954, Dioguardi was indicted for violation of New York State income-tax laws. The indictment centered upon his failure to report \$5,400 which he received as additional income from the sale of a clothing factory in Pennsylvania. An additional \$5,500 was "to assure that the shop would remain nonunion."

There is further information here, but I think that will serve as a basis, gentlemen, for us to proceed.

Senator CURTIS. Mr. Chairman, may I ask a question.

Mr. Dioguardi, how old are Dominick and Rose, your children?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator CURTIS. Mr. Chairman, there is no way that that answer could incriminate him. In what year were they adopted?

Mr. DIOGUARDI. I claim my privilege under the fifth amendment to the Constitution of the United States.

Senator CURTIS. I know, but children have some rights too. It says here they are about 16 years old. That would mean that they were born probably about 1940. Some time thereafter you adopted them, if this paper is right, and some adoption court O. K.'d that proceeding, notwithstanding the fact that you had been sentenced and served part of a 3- to 5-year term in Sing Sing for extortion.

I wonder what kind of adoption proceedings they have up there. I would like to know of you if these facts are true.

Mr. DIOGUARDI. I claim my privilege under the fifth amendment to the Constitution of the United States.

Senator CURTIS. That is all, Mr. Chairman.

The CHAIRMAN. All right, Mr. Counsel, proceed.

Let us get down into these unions, and maybe he would be glad to tell us something about them.

Mr. KENNEDY. This is the information that we have, which originates back in 1950, Mr. Chairman.

When Mr. Dioguardi came into the labor-union movement, he was operating a nonunion dress shop over in New Jersey and he became interested in getting a charter.

We understand, according to the information that we have, that he was instrumental in getting the first charter for local 102, but it was decided at that time that his name would not appear. The charter was originally granted through Mr. Paul Dorfman and Mr. Sam Berger of Local 102 of the ILGWU, as well as Dave Previant.

I was wondering, Mr. Dio, if you could give us any information about that.

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. Then from there, local 102 began an organization of the taxicabs and it was decided to establish another local, local 649, and Mr. Dio became president of local 649 and business manager of local 102.

Local 649 was to organize the unorganized. That was what he was working on at that time, as well as the organization of the taxicabs.

I wonder if he could make any comment on that?

Mr. DIOGUARDI. I claim my privilege under the fifth amendment to the Constitution of the United States.

The CHAIRMAN. Are you now a member of any labor union or organization?

Mr. DIOGUARDI. I claim my privilege under the fifth amendment to the Constitution of the United States.

The CHAIRMAN. What is that privilege you claim?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that this answer may tend to incriminate me.

The CHAIRMAN. I see. You think that it would incriminate you to be a member of a labor union?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Would you not rather think it would be the other way around?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you feel any obligation to these union members?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that this answer may tend to incriminate me.

The CHAIRMAN. Were you at one time regional director?

Mr. KENNEDY. Mr. Chairman, according to our information, Mr. Dio was appointed regional director of region 3-A of the UAW-AFL, and he was appointed to that position by Mr. Anthony Doria, secretary-treasurer of the UAW-AFL.

The CHAIRMAN. Did you serve in that capacity?

Mr. DIOGUARDI. I respectfully decline to answer that question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you know Anthony Doria?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Does he know you?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that this answer may tend to incriminate me.

The CHAIRMAN. All right, Mr. Counsel, proceed.

Mr. KENNEDY. After he had established local 649 and local 102, Mr. Chairman, there was a breakoff by a man by the name of Louis Lasky, who established a local of his own, and Mr. Dio was anxious to bring that group back into the fold, so he brought two other gentlemen into the labor-union movement, a Mr. Topazio and Mr. Cohen.

Just before they were to take over that local, Mr. Topazio and Mr. Cohen whom Mr. Dioguardi brought into the labor movement, were arrested for extortion.

The CHAIRMAN. Ask him direct questions about it.

Mr. KENNEDY. Could you give us the details on that?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. What are those names?

Mr. KENNEDY. Mr. Topazio and Mr. Cohen.

The CHAIRMAN. Do you know Mr. Topazio?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Does he know you?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you know Mr. Cohen?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you have any labor-union business connections with either of them?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Proceed, Mr. Counsel.

Mr. KENNEDY. Mr. Dio's chief base of operations was in New York City, but he also had some locals that expanded down to Philadelphia.

The first local charter that he granted was local 138, which he gave to Mr. Abe Goldberg; within a year prior to the time he received the charter, he had been arrested and convicted for extortion while working with the teamsters union.

Could you tell us the facts about that situation, Mr. Dio?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. That was the charter for Local 138, UAW-AFL, that you granted to Mr. Abe Goldberg; isn't that correct?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. At that time, were you regional director and had authority to grant these charters or to recommend that they be granted, or recommend that they be denied?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Are you ashamed of your connection with labor unions?

Mr. DIOGUARDI. I claim my privilege under the fifth amendment to the Constitution of the United States.

The CHAIRMAN. What is that privilege?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. All right; proceed.

Mr. KENNEDY. Mr. Chairman, we then understand that Mr. Dio granted another charter, local 198, and he gave this charter to a Mr. Cohen, and the husband of his secretary, Mr. Gasster.

Within 3 weeks of the time that the charter for local 198 had been given to Mr. Cohen and Mr. Gasster, they were arrested for extortion.

The CHAIRMAN. Let me ask, do you know Abe Goldberg?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Are you the same John Dioguardi that signed these and approved these applications for charter?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. What did you have to do with the granting of charter for local 198?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you know at the time that you helped secure these charters, that the applicants for them were criminal and had been convicted of the crime of extortion and other crimes?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Had you known it, would you have recommended the charter be granted to them?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Proceed.

Senator GOLDWATER. Mr. Dioguardi, when Mr. Washburn was here testifying he was asked a series of questions by Senator Mundt, and I want to read Mr. Washburn's answer to one of those questions and then ask you a question.

Mr. WASHBURN. So Dubinsky got pretty mad at me. He said he didn't even know Johnny Dio. I said, "Mr. Dubinsky, I understand that he worked for your organization one time on a special assignment."

"I don't even know the man," he said.

Then Mr. Washburn went on to say:

I named the plant and city in which he worked, and he got very excited. His only reply was, "Well, there is sometimes," he says, "we hire people to do certain jobs for us, but we don't let them get on the inside of the organization."

Senator MUNDT. You say you named the plant. What plant was it, what city?

Mr. WASHBURN. Well, I didn't have the name of the plant, actually. It was Roanoke, Va.

Senator GOLDWATER. Did you work for Mr. Dubinsky?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator GOLDWATER. Do you feel certain that an honest answer to that question would tend to incriminate you?

(The witness consulted with his counsel.)

Mr. DIOGUARDI. It might.

Senator GOLDWATER. It can do damage to Mr. Dubinsky by leaving it in the position you have left it in, taking the fifth amendment. Here was a statement made by a man that I presume you know, Mr. Washburn, to the effect that you worked at one time for Mr. Dubinsky. Now you decline to say that you did or you didn't, and you take the fifth amendment, which leaves us with the impression that you did work for Mr. Dubinsky, and you don't want to say that you did.

I think Mr. Dubinsky would like you to clear that up.

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator GOLDWATER. You don't care what it would do to Mr. Dubinsky?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator GOLDWATER. That is all I have, Mr. Chairman.

Senator KENNEDY. On this question of Mr. Dioguardi working for Mr. Dubinsky, I understand that an affidavit is on its way from Mr. Dubinsky stating that Mr. Dioguardi has never worked for him. I wonder if the counsel knows anything about that.

Mr. KENNEDY. I understand from the attorney that is representing Mr. Dubinsky, or representing the ILGWU, they have written a letter or it is on its way to the chairman, stating that Mr. Dubinsky is prepared to testify before the committee, and also prior to the time he testifies on the particular point of Mr. Johnny Dioguardi, he has written in an affidavit that he is furnishing to the chairman of the committee that Mr. Dioguardi never worked for him or for the ILGWU.

That is the information we have.

Senator GOLDWATER. I ask the counsel, in view of that, is that not all the more reason why we should expect an answer from Mr. Dioguardi on that, and not the fifth amendment?

Mr. KENNEDY. I think it is possible on some occasions for a witness to feel that he cannot answer certain questions, or pick and choose, because of the fact that he might waive his rights under the fifth amendment. I think Mr. Dio is taking the position that he is going to have to, or at least it is beginning to look as if he might not answer very many questions.

Senator GOLDWATER. I thought we were on safe ground on this because it is clear down in Virginia, and we are working up in New York, but I will cease my questions.

The CHAIRMAN. The questions are perfectly proper. Mr. Dubinsky's name has been brought into these hearings under some circumstances that might tend to connect him with known racketeers and gangsters, and I think it is only proper. This is one of the witnesses, or this is one of the persons that I think was mentioned in connection with Mr. Dubinsky and, if this witness is a friend of Mr. Dubinsky's and he is willing to help clear it up, his testimony will be welcome.

If he doesn't want to help clear it up, and he wants to take the fifth amendment, why then that will be the record.

Do you know Mr. Dubinsky, and do you want to state whether you know him or not?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you ever have any business transactions with him? I am speaking of labor-union business.

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Have you had any other business or associations with him in any way?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. We will have to get Mr. Dubinsky to clear it up, I guess.

All right, we will proceed.

Mr. KENNEDY. We have gone through, Mr. Chairman, local 102, and local 649, and Mr. Topazio, and Mr. Cohen, and local 198, Cohen and Gasster.

The CHAIRMAN. We didn't ask him if he knew Mr. Gasster.

Mr. KENNEDY. There are four individuals involved. In local 649, you have two people, Topazio and Cohen, and that was Joe Cohen.

Then there is a George M. Cohen, and a Mr. Gasster from local 198. There are four individuals.

The CHAIRMAN. Ask him if he knows these.

Mr. KENNEDY. We have been through 649 and Topazio and Cohen, and local 198 which deals with George M. Cohen and Mr. Gasster.

Could you give us any information on the fact that 3 weeks after you granted the charter to Mr. Gasster and Mr. Cohen, they were arrested for extortion?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. Then, Mr. Chairman, there was local 138 down in Philadelphia, which was granted to a man who had just been convicted of extortion, Abe Goldberg, and then a charter was granted to local 227. The local 227 officials were Max Chester, Arthur Santa Maria, and Mr. Cosentino. They had been in the International Chemical Workers Union, and their charter had been lifted in that union for extortions. Then they came over and were granted a charter through Mr. Dioguardi in the UAW-AFL. That is local 227.

Could you tell us anything about that next charter that you issued?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. At the time you helped them get this charter for local 227, did you know that the charter they had had previously had been lifted because they were either convicted or believed to be extortionists?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. In weighing the quality of someone that might apply for a charter, as to whether he deserves it or whether it would be proper to issue it to him, would you take into account the fact that a man had been convicted of extortion?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you have any power or influence or authority now over organized labor and union members in New York City?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. What is the reason for this; that the members don't do something about it? Is it because they are afraid of you, and do you operate on some sort of a terrorism or fear psychology? Is that correct?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. All right. Proceed.

Mr. KENNEDY. Mr. Chairman, the two other charters for local 224 and local 250 were granted to individuals, according to the sworn testimony before this committee. Those individuals were responsible and took part in making of "sweetheart" contracts with management. Those contracts were made in the cases before the committee where the employees of management were for the most part of Puerto Rican extraction.

I would like to ask you, Mr. Dio, whether you are familiar with the fact that these individuals were making these soft or "sweetheart" contracts to the detriment of the employees.

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

Mr. KENNEDY. The other information, Mr. Chairman, we have on local 228, is that the charter was granted by Mr. Dio, and then, according to the international, it no longer existed. However, according to the sworn testimony again before the committee, that charter existed for a period of 2 years, and was active and was given out and granted by Milton Holt, an officer of the teamsters union. So, we have the situation where an officer of the teamsters union is giving out a charter from the UAW-AFL, which charter had originally been granted by Mr. Johnny Dio.

Would you explain that to us, Mr. Dio?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you know Mr. Holt?

Mr. DIOGUARDI. I respectfully decline to answer the question on the grounds that the answer may tend to incriminate me.

The CHAIRMAN. That charter, I understand, is No. 228. Did you ever have any connection with charter No. 228?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you help to procure that charter for anyone, originally?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you help to get it transferred to someone else?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you make use of it, yourself?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you take that charter yourself, or you and others, and use it as a club or an instrument for extortion?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you ever operate under that charter in any way whatsoever?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. What became of the charter?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you know where it is now?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Mr. Dioguardi, I want to ask you a question about union practice; that is, in the international. It has no relation with any act of yours or any transaction that involves you, so I am sure you can answer it.

I have here committee exhibit 38, which was offered yesterday. It is an application for a charter, an amalgamated charter. The charter was written September 15, 1953, although this is the application for the charter. Among the members listed are Frank Easton, Leonard Prince, and so on, when this charter was issued on the date I mentioned, and there is a notation on here, in pen, that it was sent to John Dio, New York City. This committee has a wide range of responsibility to report its findings for legislative purposes. I notice that this application, upon which a charter was granted, was neither signed nor dated. Nobody ever signed it, yet that international issued a charter on it. My question is this: Can you tell me, is that a common practice among international unions?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator CURTIS. Mr. Chairman, I think you are doing the very right thing in having this character and others here to expose before the entire world that they will not cooperate and give us the information. On the other hand, I think it is too bad that we have to dignify this character by having this public show over here for him in his behalf. It seems to me it is time that our better class of labor leaders, and there are some fine men who know the labor field from one end to the other, would come forward with their suggestions for changes in the law to keep people like this out of the organizing and heading of labor unions.

The CHAIRMAN. I believe you testified you are an American citizen, have you not?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you mean you do not want to acknowledge that you are an American citizen?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Is it a fact that you have contempt for your own Government?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Would you do anything to cooperate with your Government?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you realize the harm you are doing to honest organized labor by the position you are taking, and are you willing to continue to do this, irrespective of the amount of harm you may be doing, to the millions of working people in this country?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Proceed.

Mr. KENNEDY. There is just one more charter. It was granted to local 355. That was given through Mr. Harold Krieger, of New Jersey. It was given to a man with an active Communist background. He then went to work and organized a company called Roto-Broil and made an arrangement with management or agreed with management that management could check off union members dues and not forward them to the union. This charter, local 355, was granted through Mr. Johnny Dio and to Mr. Tolkow.

Could you tell us about that?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you know Mr. Tolkow?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. Mr. Chairman, Mr. Dio remained as regional director in New York up until the middle of 1954. During this period of time, he built up a close relationship and a close friendship with Mr. Jimmy Hoffa of the teamsters union.

I am wondering if you can tell us, Mr. Dio, when you first met Mr. James Hoffa of the teamsters.

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you know Jimmy Hoffa?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. It has been charged that you are one of his lieutenants. What do you say about that?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Does he give orders to you?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the grounds that the answer may tend to incriminate me.

The CHAIRMAN. Do you take orders from him?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you give orders to Jimmy Hoffa?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that an answer may tend to incriminate me.

The CHAIRMAN. Does he take orders from you?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. How often do you confer with him?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you have a conference with him or conferences with him regarding the organizing or issuing of charters to those 6 or 7 phony paper locals in New York?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. In the conversation, did you discuss with him the advantage of setting up these phony locals so that each of them might have seven votes in the election of joint council 16?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you participate in the organizing of those locals for the purpose of controlling that election?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Are you afraid of Jimmy Hoffa?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Proceed, Mr. Counsel.

Mr. KENNEDY. When Mr. Dio was forced to give up the drive on the taxis in the UAW-AFL, Mr. Hoffa at that time attempted to bring Mr. Dio and the organization that he had set up in New York into the teamsters union, according to the information that we have. That was in 1953.

Then in 1954, Mr. Chairman, when Mr. Dio resigned from the UAW-AFL, Mr. Hoffa at that time acknowledged him as his friend and said that he could have a job in the teamsters union.

When Mr. Dio got out of the UAW-AFL in 1954, he established the so-called Equitable Research, and at that time he was supposed to have ended all of his relationship with labor.

We have information that he continued very active interest in labor, and that this was known to Mr. Anthony Doria, of the UAW-AFL, the secretary-treasurer, and that he continued a close relationship with Mr. Tony "Ducks" Corallo in several of the teamster unions throughout New York City; that he had a working relationship with Mr. Corallo; that this started prior to the time of the election for the control of the joint council 16 in New York, in February of 1956, and went back to 1954, 1955, and went into 1956.

We have some information showing some of the close relationship between Mr. Corallo, Mr. Corallo's lieutenants, Mr. Tramunti and Mr. Kaminetsky, and the relationship of Mr. Dio with these individuals, and also Mr. Dio's relationship with Mr. Hoffa and with Mr. Harold Gibbons, who is also a teamster official.

The CHAIRMAN. Are there any questions on that?

Mr. KENNEDY. If Mr. Dio has any comment on the statements I have made—

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator IVES. Mr. Chairman?

The CHAIRMAN. Senator Ives.

Senator IVES. I have a question I would like to ask the witness. It has a bearing on something else I have here.

I would like to ask him is he is acquainted with Teddy Ray.

Teddy Ray appeared before this committee and he is the one that supposedly drove the getaway car at the time the acid was thrown at Victor Riesel. Does the witness know Teddy Ray?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator IVES. As I understand, Teddy Ray was supposed to serve as your bodyguard; is that correct?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator IVES. Mr. Chairman, I want to make a statement in the light of an article that appears in today's Daily News, of New York. It reports a statement made by President Louis Hollander, of the State CIO in New York State, to the effect that what we are doing here is politically inspired, and is part of an undertaking to hurt and injure labor.

I am not quoting it exactly, but that is the general purport.

I know Mr. Hollander very well, indeed, and I have known Mr. Hollander a great many years.

I wish that Mr. Hollander would consult with Mr. Meany, president of the AFL-CIO, the national president, who is cooperating very fully with what we are doing, and who believes in what we are doing, who knows that we are not playing politics here, who knows that this is not an antilabor undertaking in any way, shape, or manner, who knows that we are trying to get at the truth of this situation so that where legislation may be necessary, we will know what legislation we need to have enacted.

Further than that, the hearings that we have been having in the last few days, and particularly with this witness here today, demonstrates the need for this particular type of approach.

The hearings demonstrate the need for some kind of legislation which we do not have.

I have a great deal of respect for Mr. Hollander. I think very highly of him, but I do wish he would revise his estimate of this committee, because I assure him that we are doing the kind of a job which I am describing right now. I refer him to President Meany, of the American Federation of Labor-CIO.

The CHAIRMAN. Is it not true that Mr. Hollander himself recognizes the need for cleaning out this matter? He says so.

Senator IVES. He certainly does. He recommends labor courts in the State, but he does not recommend what power they should have. He does not say anything about subpoena power or anything else.

One of the troubles that labor has in cleaning itself up is the lack of subpoena power. That is one of the services we are rendering to labor unions in helping them purge themselves. We have the subpoena power which they lack.

The CHAIRMAN. Senator Mundt?

Senator MUNDT. I was a little bit shocked at the witness' reply to one question that the chairman asked him. It was a very pertinent question.

In the constitution of the teamsters international, in which you have served as an official, there is a provision that no official shall serve his union for his area who is not an American citizen.

The chairman asked you the question : Are you an American citizen ?

If I understood you correctly, you were ashamed of your citizenship, if any, because you refused to answer the question.

I think you must have misunderstood it or not recognized its relevancy. I want to again ask you the question : Are you an American citizen ?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. Mr. Chairman, may I say that this, I think, is a case on which we should make a test, because the Supreme Court has not ruled on whether or not being an American citizen can be self-incriminating.

I certainly cannot see how the Court could rule that.

If we can establish by independent means, or if the Court can establish, that this man is an American citizen, I think we should order him to make a reply, and cite him for contempt, and try him in court and find out whether or not this type of frivolous reply to serious questions by a congressional committee can be engaged in.

The CHAIRMAN. Do we have that provision in the Constitution ? Do you have it ?

Senator MUNDT. We had it read into the record yesterday.

Mr. KENNEDY. Senator, he was never in the teamsters union. The constitutional provision applies to the teamsters.

Senator MUNDT. He had no relationships with the teamsters ?

Mr. KENNEDY. Yes ; a relationship, a close relationship. But so far as we know, he was never an official of the teamsters.

The CHAIRMAN. I will ask him.

Were you ever an official of the teamsters union ?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. We have a right to inquire and we shall inquire, since you take the position that you admit it might tend to incriminate you. So if you were then it is in violation of the articles of the Constitution unless you were an American citizen.

For that reason, the Chair regards evidence solicited by the question, the effort to determine whether you are an American citizen, that information, I think, is pertinent to this inquiry. Therefore, the Chair again asks you the question. Are you an American citizen ? Upon your failure to answer, then the Chair will direct you to answer.

Go ahead.

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. With the permission of the committee, the Chair orders and directs you to answer that question. I cannot conceive that being an American citizen could possibly incriminate a citizen of this country, for him to admit it.

If he is not, I do not see how our courts could ever hold that that would incriminate you, the fact that you say you were not.

You are ordered and directed to answer the question.

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. Thank you, Mr. Chairman. That buttons that down and makes this witness clearly in contempt of this committee.

I am sure that the committee and the Senate will act accordingly. It is quite unusual for anybody who is an American citizen to be ashamed of his citizenship of this country, or to want to conceal it.

I want to pursue with you a few questions to see if we can determine why, if, in fact, you are an American citizen, you take refuge in the fifth amendment and try to conceal that fact. Are you a member of the Communist Party?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. Is it not actually true that you are a card-carrying member of the Communist Party of New York State today?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. Have you ever been engaged in espionage for the Soviet Union?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. Do you know Max Chester?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. Do you know Abraham Brier?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. Do you know William Kleinman?

(The witness conferred with his counsel.)

Mr. DIOGUARDI. Do you mean my counsel, Senator?

Senator MUNDT. I mean William Kleinman. I only know one William Kleinman.

Mr. KLEINMAN. May I suggest you ask him whether he knows William W. Kleinman?

Senator MUNDT. Very well. Do you know William W. Kleinman?

Mr. DIOGUARDI. I respect—I do.

Senator MUNDT. Your counsel escapes by a very narrow margin, I believe. Do you know Mr. Leo Telvi?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the grounds that the answer may tend to incriminate me.

Senator MUNDT. Were you one of the incorporators of Equitable Research Associates?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. In fact, are you not vice president of Equitable Research Associates?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. Equitable Research Associates is incorporated in the city of New York. You were one of the incorporators. Indeed, you are one of the officers of it. Is that a legitimate, economic enterprise, or is that a racket?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. In fact, was not Equitable Research Associates just a group of people gotten together for the purpose of extorting, sometimes from labor and sometimes from management, funds and fees

for protection against pickets and goon squads and labor disturbances?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. I note from your age bracket that you were just of the proper age during World War II when most of the men of your age were off to war. Did you serve in the armed services of your country?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. With the permission of the committee, the Chair is going to order and direct the witness to answer that question. You are so ordered and directed to answer.

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. That is all, Mr. Chairman. I just cannot understand how a man can be so tough in New York City and so timid in Washington. I cannot answer that.

The CHAIRMAN. Senator McNamara?

Senator McNAMARA. Pursuing the line of questioning of Senator Mundt, it would appear that this witness, when no longer able to operate on a charter issued by the labor unions, has now been able to operate on a charter issued by the State of New York. That is rather a peculiar circumstance.

The CHAIRMAN. Well, I do not know what the situation is with respect to this organization, this company. A company may be organized in a legal way, apparently for legitimate purposes, just as labor unions are organized for legitimate purposes. Someone operating a company can become a crook, or maybe he was when he started, and operate it as a crook.

Senator McNAMARA. The information furnished the committee says Equitable Research Associates are incorporated. It appears they are incorporated by the State of New York. I think, if we are going into charters, we ought to look into charters that are issued in various manners, and whether or not it is a nonprofit charter, or whether it is a profit corporation.

The CHAIRMAN. We are asking this witness everything we can think of about it. If we have not covered everything, the Senator may proceed to ask him some questions.

Senator McNAMARA. It ought to be more logical at this point to ask the staff if they can get me the information. I do not believe the witness will answer the question.

Mr. KENNEDY. I believe, Senator, what happened was that these individuals, Noah Braunstein, Goldfine, Caplan, and Kirschenbaum, got the charter from the State of New York, and included in the officers were Noah Braunstein and Teddy Ray. After their first meeting, everybody resigned and Mr. Dio took over Equitable Research, the day following their first meeting of incorporation. I think Mr. Dio testified to that before the Subcommittee on Investigations last year. The day after the incorporation, they all resigned, and he took over complete responsibility for Equitable Research.

Senator McNAMARA. Should not a question be raised with the authorities of the State of New York who issue these charters as to

whether or not it should be lifted? I would seem to think at this point it might be well to do that.

Mr. KENNEDY. I am not familiar with the law.

Senator KENNEDY. I might say, in line with what Senator McNamara was asking about, was not Noah Braunstein the attorney for Mr. Dio in his appearance before the investigating subcommittee?

Mr. KENNEDY. Yes.

Senator KENNEDY. And he took part in the incorporation and the next day resigned?

Mr. KENNEDY. That is correct. Mr. Braunstein also represents Mr. Dio up in New York City in connection with the acid throwing regarding Mr. Riesel.

Senator KENNEDY. I do not have any criticism of Mr. Braunstein for representing Mr. Dio in any way as an attorney, but on this question of the part he played in setting up Equitable Research Associates, which has been used as an organization to prevent unionization, and which has been used to extort some money from employers, it seems to me that his practices in that case would be worthy of some study by the New York bar.

Mr. KENNEDY. He also, I might say, took an active part according to the testimony before the committee, Mr. Braunstein himself took an active part in the negotiations of one of these contracts with Mr. Lehrer. So he acted in more than the capacity of just advising Mr. Dio.

Senator KENNEDY. Counsel does not know whether that has been a subject of investigation by the New York bar, the committee on ethical practices of the New York bar?

Mr. KENNEDY. No; I do not.

Senator MUNDT. On the point that Senator McNamara raised, I think he raised a very interesting and very significant point. Once a government body assumes the authority to grant charters of incorporation, it also assumes some responsibility of followthrough. Most of the incorporations of which I know anything require annual membership meetings, require records of minutes, require reports from officers.

I suggest that our staff call to the attention of the New York County clerk's office in New York that here they have an incorporation, the Equitable Research Associates, Inc., apparently incorporated for one purpose, and following an altogether different practice, incorporated by one set of individuals who promptly step out and who let some racketeer step in.

I think they, too, have some responsibility to tighten up their control of incorporations that they grant to racketeers in New York County.

Senator IVES. Mr. Chairman?

The CHAIRMAN. Senator Ives.

Senator IVES. I might point out, before I raise the question I have to raise with the witness, that the office in New York State that you wish to get in touch with in a matter like that is that of the secretary of state.

Senator MUNDT. The paper we have says the records of the New York County clerk's office.

Senator IVES. That might be true down there, but if it is incorporated in the State of New York it is incorporated in the secretary of state's office.

Senator MUNDT. I am in favor, also, of the staff contacting the secretary of state's office of the State of New York. Certainly they cannot just stand there entirely oblivious to the fact that they have set in motion a racket which results in the extortion of funds from business institutions and labor unions in the State of New York.

Senator IVES. I am very sure that nothing like that was ever done deliberately by the secretary of state's office in New York State, no matter who was Governor.

Senator MUNDT. Of course it was not done deliberately. I do not contend that. But they have some responsibility to follow through and see what happens to the charters that they grant.

Senator IVES. Mr. Chairman, I have a question I want to ask the witness.

The CHAIRMAN. All right.

Senator IVES. I would like to ask Mr. Dioguardi if there is anything he ever did from the time he was born until the present moment that would not incriminate him.

(The witness conferred with his counsel.)

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator IVES. Thank you.

The CHAIRMAN. Mr. Dioguardi, would you recognize your voice if you heard a recording of it?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Would it incriminate you, do you think, if we played a record, a recording, with your voice on it?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Maybe you can answer it better after you have heard the recording. The Chair is going to direct the staff now to play a tape recording. Let us see if you recognize your voice. Then we will have any comments you might care to make afterward.

Mr. KENNEDY. Mr. Chairman, first we might explain that this recording was made prior to the time that we got into the investigation. It was made through the efforts of District Attorney Hogan's office, which, of course, has been of great assistance and help to us in this investigation.

The CHAIRMAN. For the information of those interested and listening, this recording was made in New York under orders and authority of a court. It is legal testimony in the State of New York. This recording has been procured by order of the court, so that it may be used as evidence in this hearing.

Mr. KENNEDY. Mr. Chairman, I hand you the order from the court giving permission for the district attorney to give those recordings to this committee.

The CHAIRMAN. For use as evidence at this hearing?

Mr. KENNEDY. That is correct.

The CHAIRMAN. This order of the court will be printed in full in the record at this point, so those who read may know the authority for our use of this character of testimony.

(The court order follows:)

COURT OF GENERAL SESSIONS, COUNTY OF NEW YORK

IN THE MATTER OF INTERCEPTING TELEPHONIC COMMUNICATIONS TRANSMITTED OVER ALGONQUIN 4-7424, 7425, 7426, 7427, AND 7428

It appearing from the affidavit of Alfred J. Scotti, Chief Assistant District Attorney of the County of New York, sworn to on July 1, that it is in the public interest to furnish to the United States Senate Select Committee on Improper Activities in the Labor or Management Field, of which the Honorable John L. McClellan of Arkansas is Chairman, and Robert F. Kennedy is Chief Counsel, certain transcripts and information with respect to the interception of telephonic communications during the periods September 21, 1954, to March 21, 1955, March 21, 1955, to September 15, 1955, and September 20, 1955, to March 20, 1956, which were transmitted over the telephone instruments designated as ALgonquin 4-7424, 7425, 7426, 7427, and 7428, listed in the name of United Textile Workers of America, American Federation of Labor, Local 229, located at premises 325 Fourth Avenue, County of New York, City and State of New York, it is

Ordered, That the District Attorney of New York County be, and he hereby is, authorized and empowered to furnish said Committee with the transcripts and information with respect to the interception of telephonic communications transmitted over each of the above identified telephone instruments during the periods set forth hereinabove, for the use of said Committee in connection with and in the course of its said investigation.

(s) JOHN A. MULLEN, J. C. G. S.

Dated New York, N. Y., July 1, 1957.

COURT OF GENERAL SESSIONS, COUNTY OF NEW YORK

IN THE MATTER OF INTERCEPTING TELEPHONIC COMMUNICATIONS TRANSMITTED OVER ALGONQUIN 4-7424, 7425, 7426, 7427, AND 7428

STATE OF NEW YORK,

County of New York, ss:

Alfred J. Scotti, being duly sworn, deposes and says:

I am the Chief Assistant District Attorney in and for the County of New York and in charge of the Rackets Bureau of the District Attorney's Office.

This is an application for an order permitting the District Attorney of New York County to furnish to the United States Senate Select Committee on Improper Activities in the Labor or Management Field, of which the Honorable John L. McClellan, of Arkansas, is Chairman, and Robert F. Kennedy is Chief Counsel, certain transcripts and information with respect to the interception of telephonic communications transmitted over ALgonquin 4-7424, 7425, 7426, 7427, and 7428, listed in the name of United Textile Workers of America, American Federation of Labor, Local 229, located at premises 325 Fourth Avenue, County of New York, City and State of New York, during the periods hereinbelow set forth.

On January 30, 1957, the Senate of the United States duly adopted a resolution by which the said Committee was authorized to investigate improper activities in the labor or management field, with the purpose of obtaining information upon which the United States Senate could consider the advisability of adopting new legislation or modifying or amending present statutes.

The said Committee thereafter conducted both public and private hearings with this end in view, and has subpoenaed and interrogated numerous witnesses from various localities and States of the United States.

The Committee is now planning to extend its investigation to the area of New York State and in this connection has issued, or contemplates the issuance of a subpoena to persons who used the telephones of said local, for interrogation in connection with said investigation.

In August 1956, and again subsequent to January 30, 1957, the date the said resolution above referred to was adopted, said Chief Counsel of said Committee requested that this office be furnished him, for the use of the said Committee, all transcripts and information reflecting the interception of all telephonic communications transmitted over the telephone instruments hereinabove described.

The records of this office reveal that the telephonic communications transmitted over said instruments were intercepted during the periods hereinbelow set forth. All of the said interceptions were pursuant to orders issued by Judges of the Court of General Sessions under Section 813a of the Code of Criminal Procedure.

The dates during which the said telephonic communications were intercepted were September 21, 1954, to March 21, 1955; March 21, 1955, to September 15, 1955; and September 20, 1955, to March 20, 1956.

It is respectfully submitted that the District Attorney of New York County be authorized, in the public interest, to furnish to the United States Senate Select Committee on Improper Activities in the Labor or Management Field the said transcripts and other information for the use of said Committee in connection with and in the course of its said investigation.

No previous application has been made for this order herein requested.

(s) ALFRED J. SCOTT.

Sworn to before me this day of July 1957.

ROBERT F. WARD,
Notary Public, State of New York, No. 41-55500.

Qualified in Queens County. Certificate filed in New York County. Commission expires March 30, 1959.

MR. KENNEDY. Mr. Chairman, I might say that the important element, in our estimation, is Mr. Dio's activities after he got out of the labor-union movement. We are of the opinion, and we feel that this evidence that we are about to present will help to establish it, that Mr. Dio was actually very active in the labor-union movement after he got out in 1954, was active in 1955.

THE CHAIRMAN. You mean after he was supposed to have gotten out.

MR. KENNEDY. After he was supposed to have gotten out in 1954.

I will explain in a minute the individuals that were involved in this conversation.

I might say he was active in 1955. Then his people, whom I have discussed in the last week or so in these hearings, and will continue to discuss, his people were the ones that made up the officers and charter members that transferred over to the teamsters union in 1955 and were prepared to vote in the election for the control of the joint council in New York on February 14, 1956.

First, these charters were granted at the request of Mr. Hoffa to the international. Behind the efforts to have Mr. O'Rourke elected president of joint council 16 was Mr. Dioguardi and Mr. Tony "Ducks" Corallo.

I might describe Tony "Ducks" Corallo. He is vice president of local 239 of the teamsters, but his effect and authority have stretched far beyond that. He has two lieutenants by the name of Carmine Tramunti and Dick Kaminetsky. It was through Tramunti and Kaminetsky that Mr. Corallo controlled certain other labor unions, including certain teamster unions.

THE CHAIRMAN. I would like to ask the witness this question: Do you know Carmine Tramunti?

MR. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Are you a cousin of his?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. In conversations with you, does he sometimes call you "Cousin"?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you know Tony "Ducks" Corallo?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Have you ever had any telephone conversations with him?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you think you will recognize his voice if you hear it?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Let us proceed.

Mr. KENNEDY. I might identify the individuals further that are mentioned in the telephone conversation.

George Baldanzi is mentioned.

The CHAIRMAN. Who is he?

Mr. KENNEDY. George Baldanzi at that time was an international organizer working for the Eastern Conference of Teamsters. He has an important position.

The CHAIRMAN. Do you know him?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. I think that Flynn is president of the Eastern Conference of Teamsters.

The CHAIRMAN. Do you know Tom Flynn?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. And Gibbons is Mr. Harold Gibbons, who is from St. Louis. I believe he is secretary of the Central Conference of Teamsters.

The CHAIRMAN. Do you know Harold Gibbons?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. According to the press reports as of today, he is Jimmy Hoffa's adviser.

Do you know anything about that?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. I think that one of the things to watch that is important is the relationship that exists between Mr. Dioguardi and Mr. Corallo, although Mr. Dio is important in New York I think you will notice from the telephone conversation that perhaps Mr. Corallo was even more important.

Senator CURTIS. Mr. Counsel, do we have any information as to whether or not Mr. Corallo has a criminal record?

Mr. KENNEDY. Yes, he does.

Senator CURTIS. Briefly, what is it?

Mr. KENNEDY. Primarily in the field of narcotics. He has been arrested 6 or 7 times.

He has had one conviction on narcotics.

Senator CURTIS. Have you ever been in the narcotics business?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Do you know Dick Kaminetsky?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. You may hear his voice on this recording.

Do you think you will recognize it?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

(At this point, Senator Goldwater withdrew from the hearing room.)

The CHAIRMAN. Can we get the recording now?

Mr. KENNEDY. Yes, sir.

The CHAIRMAN. What is the date of the first recording?

Mr. KENNEDY. February 18, 1955.

Mr. Chairman, I might say in addition there have been some words that have been taken out, and when the words are taken out there will be a "beep." It just means that it is profanity; no other words.

The CHAIRMAN. In other words, indecent words of the conversation have been removed from it?

Mr. KENNEDY. Yes.

The CHAIRMAN. That is all that will detract from the full import of the recording; is that correct?

Mr. KENNEDY. That is February 18, 1955. We might remember that in this period of time, Mr. Dio allegedly was out of the labor union movement.

The CHAIRMAN. We will have to have quiet.

If you are interested and want to be an observer, give us your cooperation.

(Transcript of telephone conversation between John Dioguardi, Carmine Tramunti, Anthony "Ducks" Corallo, and Dick Kaminetsky on February 18, 1955, follows:)

WOMAN'S VOICE. Hello?

MAN'S VOICE. Carmine, please.

WOMAN'S VOICE. One moment.

CARMINE. Hello.

DIO. Hello, cousin.

CARMINE (inaudible).

DIO. How are you?

CARMINE. Fine.

DIO. What's new?

CARMINE. Just a minute—come up here, Johnny.

DIO. What?

CARMINE. Come up here.

DIO. I'm all the way out the beach. You want me to come in?

CARMINE. Oh, just a moment.

DIO. I'm not doing anything.

TONY CORALLO. Hello—

DIO. Hello.

CORALLO. Listen, Johnny—

DIO. I didn't have no intention to come in, but I could come in, Tony.

CORALLO. No? All right, you don't have to come in. Listen——

DIO. What?

CORALLO. Find out what's all this talk about Gibbons and Flynn and knocking Baldanzi, huh?

DIO. That dirty, rotten son of a ——.

CORALLO. Who?

DIO. I was with Jimmy last night.

CORALLO. Who?

DIO. Jimmy Hoffa.

CORALLO. You was with Jimmy Hoffa?

DIO. Yeah.

CORALLO. Yeah.

DIO. That dirty, rotten son of a —— has been here for 3 days; nobody knows where to contact him——

CORALLO. Who——

DIO. Flynn. He's been meeting with Lacey——

CORALLO. He's been meeting with Lacey?

DIO. Yeah, and he's been drinking and Hoffa looked for him all day yesterday. Now, as far as Gibbons knocking Baldanzi, that's not true.

CORALLO. That's not true——

DIO. That's definitely not true. Gibbons is a guy trying to straighten him out.

CORALLO. You tell me Gibbons is trying to straighten him out and he's knocking——

DIO. Gibbons is the guy that brought him there and Gibbons is the guy that's trying to straighten him out——

CORALLO. He says Gibbons is knocking his brains out.

DIO. Who said that?

CORALLO. He says it.

DIO. Who? Baldanzi?

DICK KAMINETSKY. Hello, John? This is——

DIO. Hello.

KAMINETSKY. I was up to Baldanzi's tonight and it seems that, you know, the story came back to him that you were the one that was knocking Baldanzi's brains out——

DIO. Oh, that a lot of ——.

KAMINETSKY. Huh?

DIO. That's away back. This——

KAMINETSKY. No; he said the other day this happened.

DIO. This was before I ever knew you had anything to do with him. That's a lot of ——.

KAMINETSKY. It is, huh?

DIO. That's a lot of ——.

KAMINETSKY. All right.

DIO. Anytime he wants to make a date with all the principals involved, I'll be there.

KAMINETSKY. Well, he don't want—he don't want to do that, but he just wondering why it's happening——

DIO. Did you hear what I just said?

KAMINETSKY. Yeah, I heard what you just said.

DIO. First of all, the first few months when you were mixed up with him——

KAMINETSKY. Yeah?

DIO. Nobody knew anything——

KAMINETSKY. I know that; I know that.

DIO. That's the trouble——

KAMINETSKY. I know that.

DIO. So, I had a perfect right to do what I did.

KAMINETSKY. Yeah, yeah; right you did.

DIO. But since then, since the time that I knew the whole complete picture has changed.

KAMINETSKY. All right.

DIO. Fly is the guy that's been belting his brains out.

KAMINETSKY. Who?

DIO. Flynn.

KAMINETSKY. Flynn?

DIO. Flynn.

KAMINETSKY. Look, I called Sam this aft—Sam—me—and I called him and he called me back. Anyway, and I asked Sam to get hold of Paul to try to do something with that drunken ——.

DIO. Well, if he could do something, brother; I'm going to go out and get drunk myself. That dirty miserable —— is drunk every day. Jimmy Hoffa couldn't get him last night.

KAMINETSKY. Uh-huh.

DIO. But Jimmy Hoffa le—got in yesterday morning and he left last night.

KAMINETSKY. I see. All right, John.

DIO. As far as Baldanzi and as far as Gibbons is concerned, that's not true.

KAMINETSKY. All right.

DIO. Because Gibbons and I were only talking about him last night.

KAMINETSKY. O. K.

DIO. So——

KAMINETSKY. Tony want to talk to you.

DIO. Yeah.

KAMINETSKY. Take care, John. Have a nice weekend.

DIO. Yeah; all right.

CORALLO. Hello, Johnny.

DIO. Tony. See, at the beginning, Tony, before anybody ever knew who was connected with him——

CORALLO. Yeah.

DIO. I did do—I and other people did——

CORALLO. All right; all ri—. Now, listen——

DIO. But you know how long ago that is——

CORALLO. Let's don't even discuss it.

DIO. You know what the story goes now?

CORALLO. Yeah.

DIO. I understand Delurey got a taxi charter. Now, listen; they gave Delurey a taxi charter.

CORALLO. They gave it to Delurey?

DIO. That's what I understand; last night. You understand—that's Mr. Flynn and Mr. Lacey.

CORALLO. Look, I wanted to wait with you on that there. If we brought up all the paraphernalias we would have got it—if you took all the equipment they give you to use, we would have got it.

DIO. I gave you everything that I had.

CORALLO. That ain't enough——

DIO. Well, that all I had. Tony left. The other stuff they got back; I tried to get it back, Tony——

CORALLO. Listen——

DIO. On the way down.

CORALLO. Hello.

DIO. Yeah.

CORALLO. See if you can find that drunken —— and see if we can keep this guy in there; it will be good for all of us.

DIO. Tony, I just called up Washington, because—I called you from outside. I just called Washington up, and they said he's still in New York.

CORALLO. All right; see if you can make some calls.

DIO. All right. Listen; I'll be home. I'll be home in about 15 minutes.

CORALLO. See if you can that drunken —— Listen, why don't you or him go hurry up and call up Russ and leave a number where Russ could get you. He wants to talk to you important. He's in that hotel, you know, on 49th.

DIO. Russ. Can I call him there?

CORALLO. Call there and leave a number where he can call you if he's not there.

DIO. All right.

CORALLO. Now, let's hear you call him.

DIO. All right.

CORALLO. All right. So long.

The CHAIRMAN. Mr. Dioguardi, this conversation is supposed to have taken place, according to the recording, on February 18, 1955. Do you wish to comment about it?

(The witness conferred with his counsel.)

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. According to this recording, you were in contact with Mr. Hoffa at that time; is that correct?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. And, apparently, in this conversation you were discussing the labor-union situation in New York; is that correct?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. This refers to Mr. Lacey, who, at that time, I believe, was president of joint council 16 in New York.

Mr. KENNEDY. That is correct.

The CHAIRMAN. Were you in conversation with Mr. Lacey at that time?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. That is the time when you were beginning to organize to elect John O'Rourke and throw Lacey out with these phony ballots or these ballots of these phony locals?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

(At this point Senator Kennedy withdrew from the hearing room.)

The CHAIRMAN. You don't think you have been incriminated by the playing of the record, do you?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Play the next one, Mr. Counsel.

Senator MUNDT. Before he does, I think we should give the witness the chance to affirm or deny that the recording we just heard is his voice.

Do you want to deny that that was your voice that we just listened to, that was identified in the telephone call as Johnny Dio?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. If the present answer is incriminating, I am giving you a chance to disincriminate yourself, to say, "No, this is a phony call. It is somebody else." Was it you?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. Do you want to deny now, while you are under oath, before a congressional committee, surrounded by newspapermen and radio and television photographers who can hear you, to say, "No, that wasn't my voice"? Do you want to deny it?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

Senator MUNDT. That is just admitting it. That does incriminate you. I am giving you the chance to deny it, if you want to. You don't want to do it?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. I understand we have a witness here who can identify these voices, who is familiar with this recording.

Call the witness. We will get his comment about it.

(Members of the select committee present at this point in the proceedings: Senators McClellan, Ives, McNamara, Mundt, and Curtis.)

The CHAIRMAN. Be sworn, please. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. LAURENDI. I do, sir.

The CHAIRMAN. Be seated.

TESTIMONY OF NATALE LAURENDI

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. LAURENDI. Detective Natale Laurendi, shield No. 2021, New York City Police Department, assigned to the district attorney's office squad, New York County.

The CHAIRMAN. How long have you served in that capacity?

Mr. LAURENDI. I have been a police officer for 6 years; 1 year in uniform and 5 years assigned as a police officer and detective to District Attorney Frank Hogan's office.

The CHAIRMAN. Are you familiar with this record just made?

Mr. LAURENDI. Yes, sir.

The CHAIRMAN. Do you identify any voices?

Mr. LAURENDI. I identify the voice of Johnny Dioguardi.

The CHAIRMAN. Do you know his voice?

Mr. LAURENDI. Yes, sir; I do.

The CHAIRMAN. Have you compared this transcript of that testimony?

Mr. LAURENDI. Yes, sir; I have.

The CHAIRMAN. Does his voice appear wherever the name "Dio" appears on this recording?

Mr. LAURENDI. Yes, sir; it does.

The CHAIRMAN. Then the transcript of the recording may be made exhibit No. 70.

(The document referred to was marked "Exhibit No. 70," for reference and may be found in the files of the select committee.)

The CHAIRMAN. I will instruct the reporter that, if he had any trouble following the recording, this may be substituted in the record for it.

You testify to it as a fact that you recognize it and that this transcript is correct?

Mr. LAURENDI. Yes, sir.

The CHAIRMAN. Are there any questions?

Will you stand by while we play the second recording, please?

Mr. LAURENDI. Yes, sir.

The CHAIRMAN. Are there any questions?

If not, you may stand aside for the present.

The second recording, Mr. Counsel, is of what date?

Mr. KENNEDY. I would like to say, on the first recording, Mr. Chairman, once again it shows the activity that Mr. Corallo and Mr. Dio had in the activities of the teamsters union in New York; that the people who were taking part in this conversation, Tramunti and Kaminetsky, both have very long police records, both of them starting back in 1930 and 1931. It shows their intimate connection with the teamster activities in New York City, and this at a time when Dio supposedly was out of the labor-union movement.

The next conversation took place on August 17, 1955, and the point of this second conversation, Mr. Chairman, is once again to show Mr. Dio's active participation in the labor-union movement. The first part of the conversation is unclear, but the second part you can understand. Although he was working for Equitable Research, he states in the conversation that he was responsible for putting pickets on a place and for taking pickets off a place.

We have checked with Rockaway Metals, which is the shop that is mentioned, and they had pickets put on and taken off at this period of time.

Once again, the conversation is between Johnny Dio and Carmine Tramunti. Carmine Tramunti also was not connected with any labor union at that period of time.

The CHAIRMAN. Let us play it.

(The transcript of a telephone conversation between John Dio-guardi and Carmine Tramunti on August 17, 1955, follows:)

JOHNNY DIO. Hello ; is Carmine there?

MAN'S VOICE. One minute, please.

CARMINE TRAMUNTI. Hello.

DIO. Hello.

TRAMUNTI. How are you?

DIO. All right. Listen ; remember that place I was telling you about with that number yesterday, that that kid didn't know who it was?

TRAMUNTI. Yeah.

DIO. Well, No. 1 ; Joey knows about it—your Joey ; you know, from that outfit—

TRAMUNTI. Yeah.

DIO. So, now, all of a sudden, the other Joey got a call to go downtown. You know where, downtown?

TRAMUNTI. Ah, Joey's—yes.

DIO. No ; to go down and see ah—by the Parkside Cafe. You know where the Parkside Cafe is?

TRAMUNTI. No.

DIO. Lessi's.

TRAMUNTI. Who?

DIO. Lessi's.

TRAMUNTI. Lessi's?

DIO. Yeah.

TRAMUNTI. Who the —— is he?

DIO. Don't you know who he is?

TRAMUNTI. No.

DIO. O'Neill knows him.

TRAMUNTI. Oh. Yeah?

DIO. So, I told him not to go, sec, and he took the pickets off. I'm telling him to put the pickets on again.

TRAMUNTI. Yeah.

DIO. You understand?

TRAMUNTI. Ah. Listen——

DIO. Yeah?

TRAMUNTI. Wait a minute ; wait a minute, will you? Wait a minute—listen——

DIO. Yeah.

TRAMUNTI. What are you talking about? You mean they had pickets on?

DIO. We did.

TRAMUNTI. Oh——

DIO. And we took 'em off until we talked. Now, this guy called 'em up and, after other things, he says, "You got to come downtown and meet me."

TRAMUNTI. Yeah.

DIO. And he told him where.

TRAMUNTI. Yeah. Well, he's not going, is he?

DIO. Put the pickets on again?

TRAMUNTI. Yeah.

DIO. That's what I'm going to do.

TRAMUNTI. Oh——

DIO. You * * * You understand me what I mean?

TRAMUNTI. Yeah.

DIO. What I was talking about yesterday.

TRAMUNTI. Yeah.

DIO. But Joey Levine knows this guy.

TRAMUNTI. Uhuh.

DIO. He's been working with him.

TRAMUNTI. Uhuh——

DIO. I told Joey, "So what?"

TRAMUNTI. Uhuh——

DIO. I said, "We don't know nothing about it."

TRAMUNTI. No.

DIO. So let him see what happens.

TRAMUNTI. Listen——

DIO. What?

TRAMUNTI. Do you know the name of the place?

DIO. Rockaway Metals.

TRAMUNTI. Rockaway Metals?

DIO. That's right.

TRAMUNTI. O. K.

DIO. So, that's what I'm going to do, Carmine. Will you tell him that?

TRAMUNTI. Yeah.

DIO. And I don't know how this guy settled it.

TRAMUNTI. Yeah, yeah. You took 'em off——

DIO. Yeah.

TRAMUNTI. And now this guy settled it the 10th of June?

DIO. He made a date with them.

TRAMUNTI. Yeah.

DIO. To talk with them at Joey's office.

TRAMUNTI. Yeah.

DIO. So he gave them a call.

TRAMUNTI. Yeah.

DIO. He says, "Look, I can't make it uptown. If you want to meet me you meet me down at——ah, this place.

TRAMUNTI. Yeah.

DIO. Joey realized where it was.

TRAMUNTI. Yeah.

DIO. You understand?

TRAMUNTI. Yeah.

DIO. So, I say, "Forget about it."

TRAMUNTI. That's right. Are you putting the pickets back?

DIO. That's right.

TRAMUNTI. Good.

DIO. Will you please tell the other * * * your Joey * * * that?

TRAMUNTI. Yeah.

DIO. Find out off him what it's all about.

TRAMUNTI. Yeah.

DIO. He seems to know what's it's all about.

TRAMUNTI. Yeah; because we called up there and there was nobody there.

DIO. And he seems to know what it's all about.

TRAMUNTI. All right.

DIO. He talked with Joey.

TRAMUNTI. Yeah.

DIO. Yeah; that's what I'm going to do and they're with me.

TRAMUNTI. O. K.

DIO. You just follow it to me and you'll meet him sometime.

TRAMUNTI. O. K.

DIO. All right.

TRAMUNTI. Yeah.

DIO. O. K. * * * ah, listen * * * tomorrow around 12:30, I want to see you.

TRAMUNTI. All right; I'll be here.

DIO. All right.

TRAMUNTI. O. K.

DIO. Fine.

The CHAIRMAN. Let's recall that witness.

Will you take the stand, please?

TESTIMONY OF NATALE LAURENDI—Resumed

(Members of the select committee present at this point in the proceedings; Senator McClellan, Ives, McNamara, Mundt, and Curtis.)

The CHAIRMAN. Did you hear the playing of this second recording?

Mr. LAURENDI. Yes, sir; I did.

The CHAIRMAN. Do you identify the voices?

Mr. LAURENDI. I could identify the voice of Johnny Dioguardi. The other voice I have not heard the person speaking in person.

The CHAIRMAN. How long have you know Johnny Dioguardi?

Mr. LAURENDI. I have known of him for the past 2 years.

The CHAIRMAN. Is this recording correct as transcribed?

Mr. LAURENDI. Yes, sir; it is.

The CHAIRMAN. Have you examined the transcribed document?

Mr. LAURENDI. Yes, sir.

The CHAIRMAN. This transcribed document may be made exhibit No. 71.

(The document referred to was marked "Exhibit No. 71" for reference and may be found in the files of the select committee.)

The CHAIRMAN. The reporter is instructed to print it in the record, if you were unable to take down the actual recording as you heard it.

Mr. KENNEDY. Mr. Chairman, I might add on to that that the local they are talking about is local 224, that Mr. Dio in August of 1955 was putting the pickets on and then taking them off Rockaway Metals. This is some 8 or 9 months after he resigned from the labor-union movement, and he was then with Equitable Research. He was putting on pickets and taking them off.

Local 224 you see up here, UAW-AFL, those officials came down and were on the charter application of local 269 of the International Brotherhood of Teamsters. It shows and demonstrates Mr. Dio's active participation in labor affairs of UAW-AFL after he allegedly resigned, and his control over the locals with whom he had been associated during 1951, 1952, 1953, and 1954.

This is, of course, important, because of the fact that these people ultimately ended up as applicants and officers for these teamster unions in 1955 and 1956.

TESTIMONY OF JOHN DIOGUARDI, ACCOMPANIED BY HIS COUNSEL, WILLIAM W. KLEINMAN—Resumed

The CHAIRMAN. Do you know Joey, referred to in this conversation?

Mr. DIOGUARDI. I respectfully decline to answer the question on the ground that the answer may tend to incriminate me.

The CHAIRMAN. What kind of a fellow is Joey? What does he do?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Is there anybody else in there that you want to identify?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. There are two Joeys mentioned. Johnny Dio's Joey would be Joe Curcio, or at least that is what we understand.

The CHAIRMAN. Do you want to tell us whether it was Joe Curcio or not?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. Your "Joey," Senator, would be Joey Levine, and Joey Levine came out of local 875, a teamster local controlled by Tony "Ducks" and came in as one of the active participants in local 275, which was one of the original so-called paper locals of the teamsters for the purpose of voting in the election.

The CHAIRMAN. Do you have any comment?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

(At this point, Senator McNamara withdrew from the hearing room.)

Mr. KENNEDY. Just one more item.

No, that is all, Mr. Chairman.

The CHAIRMAN. Are there any further questions from any member of the committee?

(Members of the select committee present at this point in the proceedings were: Senators McClellan, Ives, Ervin, Mundt, and Curtis.)

Mr. KENNEDY. During this period of time, Mr. Chairman, as we will develop later, and we have had some information and testimony already, there was an active friendship between Mr. Dio and Mr. James Hoffa. You will not make any comment on that?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. We understand that Mr. Hoffa was doing some favors for you, such as attempting to get you a teamster charter but that you were also doing some favors for him; is that correct?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. You would not discuss any of the conversations that you might have had with Mr. Hoffa prior to the time that your people became members and applicants on the charter in 1955?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Mr. KENNEDY. That is all.

The CHAIRMAN. Do you know Mr. Victor Riesel?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. You would not want to tell us, I suppose, whether you know anything about the incident that resulted in his blindness? Would you want to comment on that or tell us anything about it?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

Senator MUNDT. Mr. Chairman?

The CHAIRMAN. Senator Mundt.

Senator MUNDT. In the absence of Senator Goldwater, I want to ask the Goldwater question of Mr. Kleinman.

The CHAIRMAN. Let us finish just 1 or 2 more questions with the witness. If none of you has any further questions of the witness, the Chair wishes to ask this:

I want to ask whether we have failed to ask any question that you might be glad to answer to give us a little information, either from

your point of view or in answer to anything that may have been implied here from the questions that have been directed to you today.

Have we overlooked anything that you think of?

(The witness conferred with his counsel.)

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. We want to be very fair. If we have overlooked anything that you would like to answer that might put your situation in any better light, or give us any explanation or anything that you think might be helpful to the committee, we will be very glad for you to tell us.

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Senator Mundt?

Senator MUNDT. Mr. Kleinman, this is a question we have been asking other lawyers in the hearing. It is simply whether, in appearing in your capacity as counsel for Mr. Dioguardi, your fees are being paid for by Mr. Dioguardi personally or by a labor union.

Mr. KLEINMAN. Well, if you press for the answer, Senator, I suppose I should be cooperative, as the term goes, and attempt to answer it. I doubt very seriously that a lawyer should discuss by whom fees are paid.

I may say that I know nobody else in this matter except Mr. John Dioguardi. Does that answer your question, sir?

Senator MUNDT. Let me interpret your answer as I understand it, and then you can tell me whether you are answering it or not.

It is a question which all other counsel have answered. The reason we ask it is because we are interested in knowing whether labor union money from the dues-paying members is being used to employ counsel to protect or to counsel the witnesses that we feel compelled to call in. As I interpret your answer, it is that you are receiving no compensation from any labor union for representing Mr. Dioguardi here?

Mr. KLEINMAN. Your interpretation is correct, Senator.

Senator MUNDT. Then we understand each other.

The CHAIRMAN. The Chair overlooked one matter that I think maybe we should bring to the witness' attention. He might want to comment about it.

The Chair presents to you a photostatic copy of a check dated September 3, 1954, made payable to you in the amount of \$16,000, drawn on the International Union, United Automobile Workers of America, affiliated with the American Federation of Labor, No. 3597, signed by Anthony Doria, international secretary and treasurer.

We also have the endorsement of that check, a photostatic copy of it, on the reversed side, which appears to have the endorsement of John Dioguardi.

Will you examine this document, please, and state whether or not you identify it?

(A document was handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Have you examined the document?

Mr. DIOGUARDI. I have.

The CHAIRMAN. That document may be made exhibit No. 72.

(The document referred to was marked "Exhibit No. 72" for reference and will be found in the appendix on p. 4466.)

The CHAIRMAN. Will you tell us what the check was for?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you receive it and get the money?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. I ask you to examine the photostatic copy of the endorsement. Have you examined it?

Mr. DIOGUARDI. I have.

The CHAIRMAN. I believe you told me you could read; is that correct?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Can you write your name?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Is that your signature on the reverse side of the check?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Did you endorse the check and get the money on it?

Mr. DIOGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Are there any other questions?

Mr. KENNEDY. Mr. Chairman, I might say that the reason given publicly for that check, for giving Mr. Dio a check for \$16,000, the reason given publicly by Mr. Anthony Doria was the fact that Mr. Dio had invested in local 102, had invested his own money, and he was paying him back. However, when Mr. Dio appeared before the Senate Subcommittee on Investigations in executive session on May 17, 1956, he was specifically asked whether he helped Sam Zakman finance local 102, and he answered negatively.

The CHAIRMAN. According to the transcript of the testimony before the Senate Permanent Subcommittee on Investigations, on May 17, 1956, Mr. Dioguardi, you were asked the following questions and gave the following answers:

Mr. KENNEDY. Do you know William Zakman?

Mr. DIOGUARDI. No, sir.

Mr. KENNEDY. You never met him?

Mr. DIOGUARDI. No, sir.

Mr. KENNEDY. Former president of local 102 of the UAW?

Mr. DIOGUARDI. Samuel Zakman?

Mr. KENNEDY. Do you know him?

Mr. DIOGUARDI. Yes, sir, and I do not know William.

Mr. KENNEDY. Did you help Sam Zakman finance local 102 of UAW?

Mr. DIOGUARDI. No, sir.

Mr. KENNEDY. You never gave him any money?

Mr. DIOGUARDI. No, sir.

Mr. KENNEDY. You never took over from Sam Zakman; is that correct?

Mr. DIOGUARDI. No, sir.

(At this point Senators Mundt and Curtis withdrew from the hearing room.)

The CHAIRMAN. You got that check, and it is represented to the committee now that it was to pay you back for money that you had invested or loaned or made available to local 102 of the UAW-AFL.

You testified at that time that you did not advance any money, that you did not finance that union. Do you want to tell us now what this check is for?

Mr. DIUGUARDI. I respectfully decline to answer the question upon the ground that the answer may tend to incriminate me.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. That is all, Mr. Chairman.

The CHAIRMAN. We had a witness here that I asked to think about something. What was his name?

Mr. KENNEDY. Mr. Hodes.

The CHAIRMAN. Mr. Gordon. He has not volunteered any information, has he, or indicated that he would like to give us some information?

Mr. KENNEDY. He has not informed me of that.

The CHAIRMAN. The Chair has been placing witnesses under recognition to reappear at such time as the committee may need their further testimony. I think there is a little peculiar circumstance here, and I doubt if such an order would be very effective under the circumstances.

The Chair does want to thank on behalf of the committee, Judge Mullen, of general sessions court of New York, and Mr. Frank Hogan, district attorney of New York, for the splendid cooperation they have given, and particularly in helping to make this witness available for this interrogation today.

(At this point, Senator Ives withdrew from the hearing room.)

Mr. KENNEDY. And, Mr. Chairman, Capt. Fred W. Hains has cooperated very well with the committee.

The CHAIRMAN. Captain Haines, too.

Mr. KENNEDY. And Mr. Alfred J. Scotti, chief assistant attorney, rackets bureau.

The CHAIRMAN. To all of those, we are very grateful.

The witness is excused.

The committee will stand in recess until 10 o'clock tomorrow morning.

(Whereupon, at 5:12 p. m., the hearing in the above-entitled matter was recessed to reconvene at 10 a. m., of the following day.)

(Members of the select committee present at the taking of the recess were Senators McClellan and Ervin.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

FRIDAY, AUGUST 9, 1957

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senators John L. McClellan, Democrat, Arkansas; Irving M. Ives, Republican, New York; Karl E. Mundt, Republican, South Dakota; Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, chief assistant counsel; Paul J. Tierney, assistant counsel; Walter R. May, assistant counsel; Frank C. Lloyd, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the select committee present at the convening of the session were: Senators McClellan, Ives, and Curtis.)

Mr. KENNEDY. Mr. Morris Weintraub, please.

The CHAIRMAN. Will Mr. Weintraub come around, please?

Senator CURTIS. Mr. Chairman, I want to just raise a question or two about Mr. Dio. Would you like to have it in the record before this man appears?

The CHAIRMAN. No; he can be sworn.

You do solemnly swear that the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth, and nothing-but the truth, so help you God?

Mr. WEINTRAUB. I do.

Senator CURTIS. Mr. Chairman, yesterday when Mr. Dioguardi was here, I do not think anything was placed in the record concerning whether or not he was an officer in a welfare fund. I understand that other investigations indicate that that is true. I merely raise that question for the committee hoping that at a future time, if it has not already been done, it might be stated.

In that connection, could they ascertain what, if any, insurance agencies or insurance brokers were controlled by the Dioguardi outfit, and whether or not there is any evidence of requiring companies to do business with that brokerage as a further means of shakedown.

The CHAIRMAN. The Chair will state that there is still an investigation in process, and the staff will take note of your suggestion, Senator, and they can bear that in mind as they proceed with further

investigation. We may have something already, but it is difficult to get all of this together at one time. I think your suggestion is certainly very good. We may have something on it a little later.

TESTIMONY OF MORRIS WEINTRAUB

The CHAIRMAN. Mr. Weintraub, will you state your name, your place of residence, and your business or occupation, please, sir.

Mr. WEINTRAUB. My name is Morris Weintraub. I reside at 133 Kentucky Drive, South Newport, Ky., and I am engaged in the practice of law in the State of Kentucky.

The CHAIRMAN. All right. Being a lawyer, I assume you waive counsel.

Mr. WEINTRAUB. Well, I have always heard that a lawyer for himself has a fool for a client, and so I will just be here myself today.

The CHAIRMAN. If that saying is true, you have some company on the committee.

Proceed, Mr. Counsel.

Mr. KENNEDY. Mr. Weintraub, you were associated with the UAW-AFL for a period of time?

Mr. WEINTRAUB. I became associated with the UAW-AFL when I was appointed by the former president, Lester Washburn, as acting regional director of region 4, some time in the latter part of 1951. I think it may have been August or perhaps September, and I don't remember the exact date.

Mr. KENNEDY. What is region 4?

Mr. WEINTRAUB. Region 4 is a region, geographical region of the international union, which primarily comprises the western part of the State of Ohio from the Great Lakes on down, and the entire State of Kentucky, Tennessee, and portions of the South.

Mr. KENNEDY. What are the responsibilities of a regional director?

Mr. WEINTRAUB. To supervise the activities of the region, see that there is proper organizational work, and see to it that the contracts are properly negotiated, and that the local unions are properly serviced and to generally supervise the activities of the local unions and the business in that particular area and region.

As a regional director you are also ex officio a member of the international executive board.

I might say that I served in that capacity for several years by appointment, and at my request I requested that a regional convention be held because I didn't feel I should continue on any further without giving the people a chance to vote on who their regional director should be.

I think it was in the year 1953—and I don't want to be bound by that exactly. There was a regional convention held in Cincinnati for region 4 and I was unanimously elected as the regional director and I served until I think it was July, when I resigned.

Mr. KENNEDY. You resigned in July of 1956?

Mr. WEINTRAUB. I think that was the date, and again I don't want to be bound by that.

Mr. KENNEDY. That was because of a dispute that you had with Mr. Doria?

Mr. WEINTRAUB. No, that was not the result of a dispute with Mr. Doria. It was a combination of factors involved.

Mr. KENNEDY. Which you will develop in your testimony?

Mr. WEINTRAUB. Yes, sir.

Mr. KENNEDY. When you came in in 1951, were you familiar or did you know Mr. Johnny Dioguardi?

Mr. WEINTRAUB. I did not.

Mr. KENNEDY. Did you know what position he held?

Mr. WEINTRAUB. I did not.

Mr. KENNEDY. In 1952 or 1953, did you know anything about him then?

Mr. WEINTRAUB. I don't recall. It was some year, and it may have been in 1953 or the early part of 1954, I heard when I was on the executive board. I heard something about Johnny Dio, and if my recollection serves me correctly I think at one time he came in to visit the international headquarters in Milwaukee. My recollection is that he did not enter the board meeting, and I think that I was introduced to him at that particular time and that is the only time I ever met him, to my recollection until we held the hearings on his expulsion from the union, in New York.

Mr. KENNEDY. Did you know or understand that he was in charge of region 3A, of the UAW-AFL?

Mr. WEINTRAUB. No.

Mr. KENNEDY. When you held the hearing in New York, was this following Mr. Lester Washburn's action against Mr. Dio?

Mr. WEINTRAUB. Yes.

Mr. KENNEDY. Against these locals?

Mr. WEINTRAUB. Yes, sir. Mr. Washburn had issued an order expelling him and also revoking charters, and I assume the committee has heard that testimony.

An immediate meeting was called of the international executive board, and they rescinded the action of Mr. Washburn. The record will show that Mr. Donohue and I were the two board members who supported the action of Washburn because we felt that under the international constitution he had the authority to do what he did.

Of course as you know, Mr. Washburn resigned in protest because he didn't have the cooperation of the board.

Mr. KENNEDY. Now, did you have a hearing in New York in connection with Dio?

Mr. WEINTRAUB. Yes, sir; there was a hearing set in New York in connection with the Dio matter.

Mr. KENNEDY. Had there been any investigation made of Dio's activities in New York?

Mr. WEINTRAUB. Only from what I heard, because I recall I sent a letter to Mr. Heaton when the matter was set for hearing in New York and I sent a letter to Mr. Heaton and I sent copies to all regional directors, pointing out to him that I didn't think it was fair to have a hearing in New York and go in without any facts whatsoever, and that someone ought to be sent to New York upon behalf of the international union to look into the matter so that when the executive board arrived there they would be able to have some information to present to him or question him about.

I think it was Mr. Goldberg, I can look at my record and tell you his first name, and it may have been Arthur Goldberg of the firm of Padway, Goldberg & Previant, of Milwaukee, Wis. A. G. Gold-

berg of that firm, I understand, went to New York, and on June 30, 1954, made a written report to the UAW-AFL, attention of President Earl Heaton, and Secretary-Treasurer Anthony Doria.

We then went to New York, and I felt that the report insofar as I was concerned didn't set out too many facts or information that we hadn't heard of or read in the newspaper up to that time. I insisted that we make some independent investigation of our own.

Of course, the comment was made that we had sent out telegrams to the various crime committee chairman and members, and to various officials in the labor movement in New York, and the central labor body. Of course, I told them that we had no power of subpoena, and it was a ridiculous thing to send them a telegram and invite them to a hearing in New York at which Dio would be present. I told them I thought it was incumbent upon us to do it ourselves.

I then said that I would go over to the New York—I think they call it the racket committee.

Mr. KENNEDY. The anticrime committee.

Mr. WEINTRAUB. Regardless of whether the executive board wanted me to, as a private individual I would go.

Upon that the president, Heaton, then appointed me, Brother Donohue and Frank Evans as a committee to go over. We went over and talked to, I think, a Mr. Green. Mr. Green was very, very cooperative with us, and, as a matter of fact, he had voluminous files there and he gave us all of the information we wanted. I don't think that he held back anything.

That was the sum and substance of that conversation. We then came back and reported that information to the international executive board.

Senator CURTIS. Mr. Chairman, may I ask a question?

This report of Mr. Goldberg, did that make a recommendation?

Mr. WEINTRAUB. No; I have the report in front of me, Senator, and it makes absolutely no recommendation. It speaks about who he contacted and gives some of the record of Dioguardi and others, and I have the mimeographed letter, copies of which were sent to each member of the executive board, if you like.

Senator CURTIS. Tell me this: Did it support the expulsion?

Mr. WEINTRAUB. In my opinion, Senator, and I want to be fair and frank, I told the members of the staff that in my opinion as a lawyer, while I may have had my particular personal views concerning the activities, I came to the conclusion that all of this was merely, as far as we were concerned, hearsay, and I even pointed out that up to several weeks ago even the State of New York and the Federal Government were unable to convict Dio of anything. I said, based upon that, that I felt that the executive board perhaps didn't have the right to expel him, but I then argued very vigorously, and my notes support this, that I thought he should have been expelled from the international union based on the fact of his conduct just generally.

Aside from the specific charges of racketeering and extortion and income-tax evasion and things of that kind, he should have been expelled for conduct unbecoming a union member, and for activities which tend to bring the international union into disrepute, and for such acts and conduct inconsistent with the duties and obligations of a member of a labor union, and for violation of sound labor union principles.

Those things, Senator, are violations of the international constitution and I felt did not require specific proof such as a charge of extortion or things of that kind.

Senator CURTIS. In other words, you looked at it as a matter of policy and ethics and protection to the international union, and did not base it upon the proof that would be required in a court of law?

Mr. WEINTRAUB. I can't follow you, Senator, that it was protection of the international union. I didn't look at it that way. I felt that the evidence before us was such at that time, we were so handicapped by lack of evidence that I felt it was not fair to expel a man on a particular charge, let us say, for the court. If I bring an indictment against you, I can't convict you on something else if the evidence doesn't support that charge. It was based on that, that I felt that he shouldn't be expelled. I felt that he should be expelled for these other reasons, but then he offered to resign and that was the end of that.

Senator CURTIS. Well, what sort of information did you get from the crime commission?

Mr. WEINTRAUB. Well, that was replete with his activities and his supposed approaches. As I say, I have my notes, and it has been 3 or 4 years ago, and it was a record of his past convictions and supposed associations with others whose reputations were very, very bad, and things of that kind.

Senator CURTIS. When the executive board actually assembled to determine this matter, how long were they in session?

Mr. WEINTRAUB. My recollection, Senator, is that we were in session for a number of days. I would say, if my recollection serves me correctly, we may have been in New York possibly a week, and maybe longer.

Senator CURTIS. Did you hear witnesses?

Mr. WEINTRAUB. The only witness we heard was Johnny Dio, and we couldn't get any other witnesses to appear.

Senator CURTIS. There were no witnesses presented to support Mr. Washburn?

Mr. WEINTRAUB. None, other than what I and Mr. Donohue had reported to the international executive board, of our discussion with the New York rackets committee.

Senator CURTIS. Who presided over that?

Mr. WEINTRAUB. President Earl Heaton.

Senator CURTIS. Did he vote on this matter?

Mr. WEINTRAUB. Well, there was no vote on the matter then.

Senator CURTIS. I see, but did he take a position on whether or not he should be expelled?

Mr. WEINTRAUB. There was discussion back and forth, and I might say, with all due respect, I think the one on the board who was most vociferous against the actions of the international executive board was Anthony Doria, who stated that we ourselves were breaking up the labor movement because the people in the labor movement were going to be accused by accusations of employers, because you must realize that a lot of these things that Mr. Green told me were accusations made by the employers in the New York situation; he thought it was very, very unfair to accuse Johnny Dio of these things based upon the accusations of employers. I also pointed out to them that he had a record of convictions, felonies, I believe, but it got into a hassle back and forth.

Senator CURTIS. Who else spoke up on behalf of Dioguardi?

Mr. WEINTRAUB. In that meeting room, you mean?

Senator CURTIS. Yes.

Mr. WEINTRAUB. In the executive board, I don't recall anybody spoke up directly for him, other than I would say that his chief advocate there was possibly Anthony Doria. I don't recall anybody speaking directly in his favor, other than the general discussion that we ought not to expel a man from an international union based upon hearsay evidence. That was the general discussion, Senator.

Senator CURTIS. Well, what part did Mr. Washburn have in that?

Mr. WEINTRAUB. Mr. Washburn had absolutely no part. He had already been out, and he had resigned, and Mr. Earl Heaton was then president.

Senator CURTIS. Did Mr. Washburn get to appear there and state his case?

Mr. WEINTRAUB. I don't think that Mr. Washburn was invited to appear.

Senator CURTIS. This was passed upon without hearing Washburn, who had taken the action?

Mr. WEINTRAUB. That is right. There was no action, in my opinion, taken. There was no action taken.

Senator CURTIS. Mr. Washburn had taken action.

Mr. WEINTRAUB. But Mr. Washburn had failed to file charges against him. You have to remember that, when the international executive board met and rescinded Washburn's action, they asked Mr. Washburn if he felt Johnny Dio had done anything for him as president to file charges, and Washburn resigned and there were no charges filed. I believe then it was President Heaton who filed the charges against him. But why Mr. Washburn wasn't invited, Senator, I can't tell you.

Senator CURTIS. Dioguardi did come before the group?

Mr. WEINTRAUB. Yes; he did.

Senator CURTIS. How much of the time was he there?

Mr. WEINTRAUB. I think Dioguardi spent maybe a day or maybe a little longer there.

Senator CURTIS. Did he come alone?

Mr. WEINTRAUB. He came alone; yes, sir.

Senator CURTIS. That is all.

Senator IVES. I would like to ask Mr. Weintraub what these accusations by the employers were.

Mr. WEINTRAUB. There were some accusations, I recall, by some kind of a taxi employers' group to the effect that, if some contract could be worked out between the taxi groups, they would then be given favorable consideration, and it was my recollection, Senator, that there were some offers made back and forth that if they would voluntarily submit to union organization, and would turn over, I think, all of their tire business and gas and oil business and insurance business, at that a favorable contract could be worked out. That was in Mr. Green's file, and, of course, it was vigorously denied by all parties on the side of the union.

Senator IVES. Did they give any indication of extortion where they were concerned?

Mr. WEINTRAUB. Oh, yes; the files of Mr. Green, insofar as he told us, because we never actually saw the files in front of him, in my

opinion, tended very much toward extortion on the part of somebody.

Senator IVES. What do you mean, "somebody"?

Mr. WEINTRAUB. Well, Johnny Dio; he was the man.

Senator IVES. He was the somebody; you had him there, and he was there while all of these accusations were being made?

Mr. WEINTRAUB. He was present at the international executive board when we discussed these things with him, but, Senator, you must remember that even Mr. Green had no evidence against him, because if they had evidence, I assume, he would have been indicted.

Senator IVES. I would think these accusations by the employers constituted some kind of evidence.

Mr. WEINTRAUB. We had no power to bring the employers there before an international union.

Senator IVES. They weren't there?

Mr. WEINTRAUB. No.

Senator IVES. I thought you said the employers gave you evidence.

Mr. WEINTRAUB. No; I said——

Senator IVES. Accusations?

Mr. WEINTRAUB. I said, Senator, that all of the information that we got came from Mr. Green, of the New York Rackets Committee. We had absolutely no other evidence, except the statement of Mr. Green to us, and he was taking those statements out of a file, and we asked him if he could substantiate them, and I think, in general, the answer was, well, up to then they haven't been able to do it. Of course, as you know, up to then he had not been indicted by any court, and never had been convicted on those particular charges.

Senator IVES. He has been an awfully hard guy to convict.

Mr. WEINTRAUB. I agree with you.

Senator CURTIS. What did he say about the charges?

Mr. WEINTRAUB. He vigorously denied them. I will say this, Senator; he didn't take the fifth amendment there, but we couldn't get any information out of him. He spoke about everything else, and, of course, as you can see from the stand, he is a very voluble fellow. He wasn't here, but there, he was, and we talked about everything else except the matter that we had in front of us.

Senator IVES. Didn't his appearance cause you to have some doubt?

Mr. WEINTRAUB. What do you mean; his appearance?

Senator IVES. Exactly what I say; did he make an impression on you as an individual having a very wholesome appearance?

Mr. WEINTRAUB. Certainly I told you that he did not, but that was not the charge before us, Senator. The charge on him was not whether he had a wholesome appearance. The charge against him at that time was of acts of extortion and other crimes. I certainly wasn't going to vote to expel a man, although we never got to a vote on the thing, I wasn't going to vote to expel a man merely on his appearance.

Senator IVES. I wasn't suggesting that you vote to expel a man on his appearance, but it all entered into the situation, I would think.

Mr. WEINTRAUB. Certainly it did, and I recognized that fact, and I said that he should be expelled, based upon conduct unbecoming a member of a union, and the next day he offered to resign. I think that I made that clear, Senator.

Mr. KENNEDY. Our record shows that Mr. Weintraub has been one of the most vigorous against any kind of improper activities in

the union, and also he was one of the ones that led the fight against Dio. As a matter of fact, although they couldn't come up with specific evidence, I understand you moved to have him expelled.

Senator IVES. I am not accusing Mr. Weintraub of anything.

Mr. KENNEDY. I know that, but I want to make sure the record is clear.

Senator IVES. The group might have taken some action, more than it did take.

Mr. WEINTRAUB. Under the circumstances, it is always easy to look back and see what you should have done.

Senator IVES. Hindsight is always a good deal better than foresight.

Mr. WEINTRAUB. Under the circumstances there, I don't think that you would have expelled him there.

Mr. KENNEDY. You moved to expel him.

Mr. WEINTRAUB. Based upon charges unbecoming a union officer, and bringing the international into ill repute, but that would have required the filing of new charges against him, under the international constitution; before we had a chance to do that, he offered to resign.

Mr. KENNEDY. That is what Senator Ives meant on his appearance. And he didn't strike you as someone who was forthright in his answers; is that not correct?

Mr. WEINTRAUB. That is correct.

Mr. KENNEDY. For instance, when you asked him about how much money he put into the union, what did he say on that?

Mr. WEINTRAUB. He smiled, and his inference was that I was a lawyer and wouldn't advise a client to answer that either.

Mr. KENNEDY. What did he say to you; did he say anything to you when you asked him how much money, after Anthony Doria had said that this man has contributed his own personal money to the union?

Mr. WEINTRAUB. I don't recall exactly his inference was, and he said, that you wouldn't advise a client of yours to answer that question, and the matter was dropped, because I knew we couldn't get him to answer it.

Mr. KENNEDY. Did you look into the type of people that he had brought into the labor-union movement?

Mr. WEINTRAUB. No, I knew none of them, except from the information that I have gotten from Mr. Green, of the racketeering committee.

Mr. KENNEDY. Did anyone make an investigation into that?

Mr. WEINTRAUB. The only investigation that was made was in the report of A. G. Goldberg, and on some of the people who were supposed to have been associated with him.

There was Johnny DeFore, Arthur Santa Maria, David Cosentino, Paul Apapovsky, Max Chester, Dominic Santa Maria, George Samalactor, Joseph Cohen, and a Sam Smith, and those were set forth in some of the records given in the report that A. G. Goldberg gave to the international executive board.

Mr. KENNEDY. At that time he brought an incomplete list, Goldberg who had been convicted of extortion, Joe Curcio had a police record, and Topazio, and George Cohen, and Joe Cohen, and Gasster, Davidoff, Baker, Arthur Santa Maria, Dominic Santa Maria, Cosen-

tino, Harry Reiss, Teddy Ray, Nat Carmel, and Max Chester, and all of these people either had police records, and there are 13 or 14 of them, and all of them had police records, or were convicted of extortion within a few months after they got their charters.

Wasn't that sufficient to cause you people some concern?

Mr. WEINTRAUB. Well, as I say, we didn't have that complete list, and I don't have as many on my list as you have, Mr. Kennedy. But as I said to you before, it did cause me considerable concern. I might say that I was, myself, and Mr. Donohue, were very strongly in favor of doing something about it. But then as I say to you, he had resigned, and we didn't have time, or couldn't bring charges against him after he had left the international union.

The CHAIRMAN. Let me stop you there just a moment to see if I understand you correctly.

At this meeting you had no specific evidence and all you had was statements regarding the specific act or statements from Mr. Green from the crime commission in New York.

Mr. WEINTRAUB. That is right.

The CHAIRMAN. That is his statement and his summary of what that investigation had been able to find out.

Mr. WEINTRAUB. That is right.

The CHAIRMAN. Therefore, you felt on the basis of that, you could not expel him as being guilty of those charges or those accusations. But you did feel, and you were joined by Mr. Donohue in the belief that his general conduct with what information you had, was sufficient to convince you that he had acted in a manner unbecoming an official of a labor union.

Mr. WEINTRAUB. Definitely, Senator, and I so expressed myself.

The CHAIRMAN. And therefore, some action should be taken on that basis. That was your position.

Mr. WEINTRAUB. That was my unalterable position and I stated that in no uncertain terms and I might say that I believe, and I may be in error, but I believe it was based upon that contention that he offered to resign either the next day or a few days later before charges could be brought against him.

The CHAIRMAN. I was coming to that. You said charges would have to be brought, even if the committee felt that way, under your constitution.

In the meantime, before the meeting ended he offered to resign.

Mr. WEINTRAUB. That is correct.

The CHAIRMAN. And so that would have for all practical purposes the same effect as expulsion.

Mr. WEINTRAUB. That is right.

The CHAIRMAN. That would get him out.

Mr. WEINTRAUB. That is right.

The CHAIRMAN. So he offered to resign.

Mr. WEINTRAUB. Yes, sir.

The CHAIRMAN. And he did resign as I understand it.

Mr. WEINTRAUB. Yes, he did subsequently resign.

The CHAIRMAN. Insofar as you folks knew, he was resigning.

Mr. WEINTRAUB. As far as we were concerned, outwardly, he was out of the union. Inwardly, I believe, Senator, I did not know it until I heard some of the things come out at the hearings here and I

read about them in the newspaper, I assume he still had some interest or connection with those local unions up there. Of course, they were already out of the union. Their charters had been revoked.

Senator CURTIS. Mr. Chairman, I would like to read a few sentences from this letter of Mr. Goldberg to which the witness has referred. That letter was dated June 30, 1954, and it was addressed to the UAW-AFL at Milwaukee.

The feeling expressed by the various parties with whom I met is that John Dioguardi has not reformed, nor that he is presently trying to go straight, nor that he is genuinely prounion.

We asked for concrete evidence. They say, "What do you need more than to look to the record of the men whom he has surrounded himself with in the UAW local unions and the company which he has been keeping?"

They say that, in their opinion, he is not trying to go straight. Otherwise, he would not be seen so much in the company of racketeers and individuals of questionable character.

And, to demonstrate that he is not prounion, they point to the fact that he operated several enterprises in the garment manufacturing industry nonunion at the same time he represented the UAW international union.

The representatives of the New York City Anticrime Committee with whom I met state that they maintain a constant check on Johnny Dioguardi, and they brought out a file at least 5 inches thick which they claim contains material on Dioguardi.

Mr. KENNEDY. When these matters were brought before your group, what position did Anthony Doria take?

Mr. WEINTRAUB. Anthony Doria took a violent position, and more or less stated that he thought we were persecuting Dio because, if we were going to proceed on hearsay evidence and expel people from an international union, the labor movement was done for because that would always be the charge by employers.

Of course, I violently disagreed with Anthony Doria, and I recall we got into a very heated discussion which became very violent at times. But I want to answer the Senator who read that.

I was cognizant of everything, Senator, in that report. But again I say, as the record will show, Mr. Green, of the crime committee, just gave him those statements and we had no proof whatsoever before the hearing there.

As I said, the charge was not substantiated, and the charge brought against him was not substantiated but, based upon the statements that we later received and his general conduct and general character and general reputation, if the charge was brought against him we would have expelled him as a member of the international union under the fact that he was bringing the international to ill repute. I want to make that definitely clear.

Senator CURTIS. I understand that, and I can see your reason for it. I think it was a sound course to follow.

Mr. WEINTRAUB. Thank you.

Mr. KENNEDY. Now, Doria was violently in favor of Dio, and he was the secretary-treasurer of the union at the time, and what position did Earl Heaton take, who was president of the union.

Mr. WEINTRAUB. My recollection is I don't think Earl Heaton took a positive position one way or the other. We listened to the evidence and we discussed it, and we talked about hearsay evidence and things of that kind.

I don't think that there was a definite position taken, because I think that maybe when I expressed myself that I did not think there

was enough evidence from a legal standpoint to expel him, and then I argued that these charges should be brought against him under the other provisions of the constitution, I think that more or less put the matter at ease for the time being, and then, as I say, he offered to resign, and that ended the entire thing.

Mr. KENNEDY. Did you have a call from Earl Heaton after that, regarding the payment to Dio?

Mr. WEINTRAUB. Yes, sir; I received a long-distance call from Earl Heaton a short time after that in which he then, in pursuance to Mr. Diognardi's offer to resign, stated that he had spent considerable sums of money, and he said that he had made the offer that if he would be reimbursed for these sums, that he would resign without any further difficulty.

I asked Earl Heaton how much it was, and he said \$10,000. After a lengthy discussion with Heaton over the telephone, he said he had contacted other members of the international executive board and we had been through quite a lot of unfavorable publicity and we had been through a lot of things that I think was not doing the labor movement any good and we felt, if we could get rid of him for that amount of money, lock, stock and barrel, I was in favor of it.

Earl Heaton said that any payment that would be made to him would be substantiated by actual receipts showing that he actually expended that money upon behalf of organizational work in the New York area.

I later understand that, instead of being \$10,000 and, of course, I was critical of Mr. Heaton for paying him any more than we had authorized, but I understood that the receipts amounted to \$16,000, and he was paid the sum of \$16,000, and I did not know that particular thing until a conversation I had with a member of your staff; up until then I thought he had been paid \$10,000.

Mr. KENNEDY. Do you know if Mr. Heaton actually had any receipts for the payment that was made?

Mr. WEINTRAUB. I do not. Mr. Heaton made the representation, and I assumed that he would act in accordance with it as president, and before any moneys were paid out that he would actually see the receipted bills.

Senator CURTIS. Where did that \$16,000 come from?

Mr. WEINTRAUB. It came from the fund of the international union.

Senator CURTIS. Paid in by the working people?

Mr. WEINTRAUB. I assume that is where it came from. They don't have any other investments.

Mr. KENNEDY. Now, subsequently, did you have another dispute with Doria, namely, at the convention that was held in 1955?

Mr. WEINTRAUB. Oh, yes; that is a matter of public record.

Mr. KENNEDY. Would you tell the committee what happened at the convention of 1955 in connection with Anthony Doria?

Mr. WEINTRAUB. I may have to go a little bit before that. Prior to that, I had met with two other members of the international executive board, and namely that was Edward T. Donohue and Carl Griepentrog, and we came to the conclusion that something must be done to shape the union up, and put it in a better position and make its relations with the public a little better.

We felt the only way to accomplish that at that time was a complete change in the officers of the international union. We recognized the fact that, if we had made that public at that time, we would have had absolutely no chance of winning, as you can see later on in my testimony, so we agreed to keep that very, very quiet among ourselves, and we did that.

I might say that one of—I think it was one of the members of Mr. Donohue's staff let the cat out of the bag, so called, while we were having an executive board meeting which are always held prior to the time of an international convention.

Then, I might say to you, Senator, all hell broke loose when it came out. Then motions were made and efforts were made to stack the convention in order that they may not be ousted and that we may be defeated.

I might say at that time I was a candidate for president and Mr. Donohue was a candidate for vice president and Carl Griepentrog was a candidate for secretary-treasurer, and we were defeated, and defeated by the vote, I may say, of Angelo Inciso, of Chicago.

Mr. KENNEDY. Let us get the details of it. That was the convention that was held in Cleveland?

Mr. WEINTRAUB. Cleveland; yes, in November of 1955.

Mr. KENNEDY. It was anticipated, or it was very possible, that your slate would have won against Anthony Doria?

Mr. WEINTRAUB. Yes, sir; I think, at that time, we figured that our complaint would win.

Mr. KENNEDY. You say that Doria tried to stack the convention. Now, tell the committee what steps Anthony Doria took at this convention.

Mr. WEINTRAUB. We were in executive session prior to the convention, and a week prior to that, and I think we went along fine, and there were resolutions made for the welfare of the international union and various routine matters. I recall, I think it was on a Wednesday. We met on Monday and Tuesday and, Wednesday, when we came back for lunch, I could notice that things weren't normal and President Heaton then said that he had heard there was a ticket against him. He wanted to know if that was so.

Mr. KENNEDY. This would be on October 31, 1955?

Mr. WEINTRAUB. I think it was, sir.

Mr. KENNEDY. The convention was to be held in November?

Mr. WEINTRAUB. Yes: that is right. And in no uncomplimentary terms, he went around the table and, of course, those of us who said that we were opposed to the present regime, we were called every name, unprintable name, and we told him that notwithstanding that we were going to proceed with it because we thought that the international union ought to be cleaned up, that there had been enough disgrace brought upon it, and not only it but the labor movement as a whole, which we thought was unfounded, and insofar as the general conditions were concerned and we thought that this was the time for it to be cleaned up.

I recall at that time, a motion was made by one of the members of the board, it was Doria, that it be left to the discretion of the international president to assist local unions in need with minimum funds necessary to have delegates at the convention, and that any expendi-

ture that may be so made or hereby approved by the international executive board, and the purpose of that as I will relate to you, was to stack the convention and then use international funds to bring in members of the New York locals so that they could outvote us.

Mr. KENNEDY. Would you just give how that was going to be done, and what the procedure was that was going to be followed, based on the resolutions that were offered.

Mr. WEINTRAUB. Do you want me to go through the resolutions or generally?

Mr. KENNEDY. The first resolution as I understand it was a motion to increase the size of the credentials committee by adding an additional five members.

Mr. WEINTRAUB. In order that they could control the credentials committee, because in regular routine each region is entitled to a member of the credentials committee, but before they had discovered that we had a slate against them, as I said.

Everything went in routine fashion up to then. Those who were in sympathy to our cause had a majority on the credentials committee.

Mr. KENNEDY. So then they wanted to increase that?

Mr. WEINTRAUB. They stacked the credentials committee by increasing it by five members.

Mr. KENNEDY. That resolution passed; did it?

Mr. WEINTRAUB. That resolution passed 6 to 4.

Mr. KENNEDY. Because the incumbent at that time had a majority of the executive board?

Mr. WEINTRAUB. That is right.

Mr. KENNEDY. So that resolution passed 6 to 4?

Mr. WEINTRAUB. Yes, sir.

Mr. KENNEDY. Then, in the resolution that the minutes of the meeting be prepared and distributed —

Mr. WEINTRAUB. Well, we had never been able to receive minutes of any meetings of the international executive board, although we made repeated and repeated demands for it, so I again made a motion that written minutes be prepared and furnished by the international executive secretary so we could have a record of what went on, so it could not be changed.

To my amazement that was defeated 6 to 4 and they did not want minutes of the meeting.

Mr. KENNEDY. Then the third one, there are about 7 or 8 of them.

Mr. WEINTRAUB. I will go through them as rapidly as I can.

Mr. KENNEDY. I want to get them numbered so we understand them.

Mr. WEINTRAUB. The next one was that Doria made a motion that the executive board interpret the constitution because there is a provision of the international constitution that in between conventions the international executive board has a right to interpret the constitution, so he moved we interpret the constitution to mean that the application for the issuance of a charter to a local union, may be made in any formal or informal manner, because they were then issuing charters to local unions which had never been chartered before, in order that they may have a delegate to be brought in at this convention to outvote us. That was passed 6 to 4.

Mr. KENNEDY. Don't go too rapidly.

Senator CURTIS. Now, on that, the purpose of that was—or the purpose of the viewpoint that your group represented was to make for more responsibility in issuing charters.

Mr. WEINTRAUB. No; the purpose of our group was to take over the local union and to put it on a sound ethical basis, so that it could be run with a credit to the labor movement and to the working people of America, Senator, and that was our only aim and our only purpose.

But you can see that we then had the votes or at least it was apparent that we had the votes and in order for them to gain control they had to stack the convention, at that particular point, and this was their method in attempting to stack the convention.

This is one of the early steps in stacking the convention.

Senator CURTIS. That is all.

Mr. KENNEDY. This last resolution that we were discussing, was that the constitution be interpreted so that the executive board may issue charters in any formal or informal manner.

Mr. WEINTRAUB. Yes, sir.

Mr. KENNEDY. And that would allow the executive board, which was then controlled by Doria then to issue charters indiscriminately?

Mr. WEINTRAUB. That is right. Then, the next motion was another interpretation.

Mr. KENNEDY. Then the next motion was filed right on top of that one?

Mr. WEINTRAUB. I am giving them to you in order, as I have them.

Doria then made a motion that the executive board interpret the constitution to mean that the executive board in its sole discretion may require and direct the issuance of local charters to plant units of an amalgamated local unit at any time, and that carried by 6 to 4 and maybe it requires a little explanation.

Mr. KENNEDY. That is the very important one; is it not?

Mr. WEINTRAUB. Yes, sir.

Mr. KENNEDY. That is the most important one of the ones we have discussed.

Mr. WEINTRAUB. Yes, sir. So that the members of the committee can understand, an amalgamated local is where they take a number of plants in one local union, rather than set up a separate local for each particular plant.

That is called an amalgamated union and I might say to you that that has a very good purpose and it is very good if properly carried out.

Now, those amalgamated local unions, under the constitution that then existed, had so many votes and the votes that they had were not equal to the number of plants in that amalgamated union, so you can readily see that if they would disregard the fiction of an amalgamation and issue a charter to each one of those plants, instead of having 1 or 2 votes, the fact is that out of one of those amalgamated unions, they could have maybe 10 or 15 or 20 votes as the record will bear out, so this was the first step in increasing their delegate strength to that 1955 convention.

By disregarding the established delegate strength that they had under amalgamated local unions, and issuing separate charters for each plant unit in the amalgamated local union, instead of so many votes, they had so many more votes, overnight, you might say.

Senator CURTIS. Doria is the man that spearheaded this?

Mr. WEINTRAUB. Yes, sir.

Senator CURTIS. He had six votes?

Mr. WEINTRAUB. Six to four.

Senator CURTIS. All of the way through?

Mr. WEINTRAUB. There were 6 to 4 all the way there.

Senator CURTIS. Who cast the six votes?

Mr. WEINTRAUB. Well, I can tell you easier, that it was Mr. Luplow, a member of the board, and Mr. Greipentrog, Mr. Donohue and myself, and we voted against them and all of the other members voted for them.

Senator CURTIS. Who are the other members?

Mr. WEINTRAUB. The other members are Mr. Heaton, Mr. Doria, Mr. Evans, and Mr. Gabe Jewel.

Senator CURTIS. Do you have their first names?

Mr. WEINTRAUB. Earl Heaton, who was president; Anthony Doria, who was secretary-treasurer; Frank Evans, who was executive board member at large; Gabe Jewel, who was regional director of region 8; Ira Luplow, who was regional director of region 6, and Carl Smigel, who was regional director of region 3. I think that is the six.

Mr. KENNEDY. Mr. Heaton was in the six; is that right?

Mr. WEINTRAUB. Yes.

Mr. KENNEDY. Now, for instance, over here, you had local 250. Now, local 250 over there had three votes, under the old system.

Mr. WEINTRAUB. Yes, sir.

Mr. KENNEDY. Under the new system, they would have a vote for the dog-food makers, for the ball-point pens, for the optical company, another vote for the printer, and another vote for the notebook manufacturer, and another vote for the crucifix plater, and all of the way down?

Mr. WEINTRAUB. Yes, under the setup, if you say it is 3, but if it was 3, if all of those you have listed on the chart are separate plants, they would have a vote for each one of those separate plants.

Mr. KENNEDY. So their votes on local 250 went from 3 votes to 24 votes, because at that time, they had 24 different shops?

Mr. WEINTRAUB. If they had 24 shops, they would get 24 votes under that system. You can see we didn't have a chinaman's chance under that.

Mr. KENNEDY. These were all of the locals, the locals that would gain by this with the amalgamated locals that Johnny Dio had set up in New York?

Mr. WEINTRAUB. Yes, and I might incidentally say, Mr. Kennedy, there were locals that I found out, some of them just had 1 or 2 people in.

Now, those locals that you say, I doubt whether they had a membership in excess of maybe 100 or so, and the strange thing was that one local union alone, in region 4, Owensboro, Ky., which had I would say close to 5,000 members, only had 10 votes in the convention.

Mr. KENNEDY. What did they say about this? These would all be new votes, or new locals that would be in there. Now, they had to pass another resolution to insure that they could vote; is that not right?

Mr. WEINTRAUB. Then Doria moved that we interpret the constitution to mean that if a local union charter is issued to a plant unit of

an amalgamated local union, such local union so chartered and its members shall be entitled to all rights and privileges as it and its members would be entitled to if it had been a chartered local union from the time it became a plant unit of the amalgamated local union, and such a local union and its members shall be so treated, and that passed 6 to 4.

This was a plan in keeping with the provisions of the constitution to make the interpretations.

Mr. KENNEDY. What that provided in effect was that the plant should be considered to have been a member of the union, a local in the union having a vote, back to the time that the original local received its charter.

Mr. WEINTRAUB. That is right.

Mr. KENNEDY. So the amalgamated received its charter.

Mr. WEINTRAUB. That is right.

Mr. KENNEDY. So that it would be in time to vote in the election.

Mr. WEINTRAUB. That is right.

Mr. KENNEDY. What did they say then, and then there would be a question of how all of these new votes, how all of these new people were going to get to Milwaukee, or get to Cleveland from New York, and was there a resolution passed on that?

Mr. WEINTRAUB. That is the one I read to you first.

Mr. KENNEDY. About paying the expenses?

Mr. WEINTRAUB. They voted the international president authority to use the funds of the international constitution to bring them there.

Senator CURTIS. To bring which delegates?

Mr. WEINTRAUB. Senator, honestly I can't tell you, whichever one they were going to stack the convention with, I don't know.

Senator CURTIS. In other words, did it appear to give the international president discretion as to who he was going to give expense money to?

Mr. WEINTRAUB. Not to that extent, Senator. I assume that the local unions would tell him who their delegate was, from that particular union, where a new charter was issued, and of course the strange thing was that that local union didn't have time to have an election and so somebody had to appoint them, and who did that, I don't know.

Senator CURTIS. But, was the intent to pay the convention expenses of delegates from all over?

Mr. WEINTRAUB. From whichever area they could find an amalgamated local union, and increase their delegation voting strength, and that was principally in New York.

Senator CURTIS. In other words, only pay the expenses of those delegates that became delegates by reason of their proposal.

Mr. WEINTRAUB. That is right. I assume they were from New York, because the talk I made at the convention when it first opened up, and when I brought this to the attention of the delegates, I sort of slipped and talked about them trying to stack the convention with goons from the New York Bowery, and I was almost mobbed there, and I left the convention hall.

Mr. KENNEDY. That would give an increase in voting strength to locals and the people that Dio had brought into the labor union movement, and Doria had handled for the international. That would give

them an increase in voting strength of from 100 votes for that area, to 282; is that not correct?

Mr. WEINTRAUB. I don't have the figures, and if that is what you say, you have the record, and I will accept your statement. I know it increased their strength sufficient so that we didn't have a Chinaman's chance of winning the election.

Mr. KENNEDY. So what steps did you take then?

Mr. WEINTRAUB. Well, there wasn't any steps we could take. As a matter of fact, before the convention opened, there was a general rumor that they were going to abandon all of this, and that they weren't going to do this at all and my information is, it is only hearsay, that strangely enough they did this because Angelo Inciso, of Chicago, he couldn't even stomach it, and he vigorously opposed the stacking of the convention, and he told them that under those circumstances, he wouldn't permit it and he had the balance of power with his 37 votes. His 37 cast votes elected the other slate——

Mr. KENNEDY. He was against it.

Now, from a selfish point of view, would he have stood to gain any votes under this system?

Mr. WEINTRAUB. Oh, no; he stood to gain nothing under it because his 37 votes was the balance of power, and as a result of his balance of power he was voted a region by the convention, and he was made regional director, and then several weeks later they even removed him, and so they accepted his votes under a false premise.

Mr. KENNEDY. He said that he wouldn't be in favor of this, but ultimately he voted in favor of it, or he cast his 37 votes in favor of Heaton and Doria.

Mr. WEINTRAUB. That is right.

Mr. KENNEDY. They took over these chief offices in the union, and thereafter he was made a regional director?

Mr. WEINTRAUB. Yes; and the convention, and I might say that they had enough votes, the convention set up the Chicago area as a separate region, or something which they had never wanted to do before, and they set that up, and I understand again this is hearsay, based upon his promise that he would not run for regional director.

But under the international constitution, international officers are voted first, and after they are elected then they have the election for the directors of the individual regions. After the officers were all elected, and all of this plan went through, then he went into the convention and he came out as the director of his particular region.

Mr. KENNEDY. Who was advising Doria during this period of time? Who was the attorney giving him advice as to how it was to be handled?

Mr. WEINTRAUB. That I don't know. There was no attorney there that I know of. Do you mean at the convention?

Mr. KENNEDY. Well, during the events that preceded that.

Mr. WEINTRAUB. There was no attorney there at the executive board. I will say I think that Tony Doria is a most resourceful fellow and I don't think that anybody had to give Tony Doria advice on how to do this.

Mr. KENNEDY. He did not need any help?

Mr. WEINTRAUB. I think he is perfectly capable of doing it, and I congratulated him on doing a most excellent, efficient job.

MR. KENNEDY. What it amounted to was that the resolutions were passed to give each plant, these Amalgamated locals in New York, give each one of the plants a vote. Where they might have had 2 or 3 votes before they suddenly had maybe 20 or 25 votes?

MR. WEINTRAUB. That is right.

MR. KENNEDY. And another resolution was passed to pay the expenses of these people to Cleveland?

MR. WEINTRAUB. That is right.

MR. KENNEDY. And a resolution was passed that they should be accepted and their votes accepted at the convention?

MR. WEINTRAUB. That is right.

MR. KENNEDY. That was ultimately defeated because of Angelo Inciso's opposition on the floor?

MR. WEINTRAUB. No, Mr. Kennedy. He had no opposition to it on the floor. I said to you very emphatically that it was my information from hearsay around the convention, before the convention opened, that he couldn't stomach it and that he was going to be against it. Of course, if he was going to be against all of this, it couldn't work.

MR. KENNEDY. But he ultimately cast his 37 votes for Doria and he was made regional director in Chicago?

MR. WEINTRAUB. That is right.

MR. KENNEDY. Ultimately, after the hearings that were held before Senator Ives and the Douglas committee, there were some allegations made concerning the mishandling of welfare funds by Angelo Inciso; is that correct?

MR. WEINTRAUB. Yes; I read about that.

MR. KENNEDY. Was the case of Angelo Inciso brought up before the board?

MR. WEINTRAUB. Yes, I received a call once from Earl Heaton to the effect that he wanted to expel Inciso. He said he was making a poll of the members of the executive board to see if that met with their approval. I said, "Absolutely, it certainly did." Of course I did remind him that it was the same Angelo Inciso with whom they had teamed up just about a month before that, and with whom they had banded together to carry the election. I did tell him, I said, "It is a strange thing that we just go through a convention, where the people, the delegates, so-called, have spoken, and now you are going to countermand everything the convention does."

I did tell him that nevertheless I was going to go along with him and expel Angelo Inciso.

MR. KENNEDY. Did you ultimately have a meeting at your headquarters on the question of the expulsion of Angelo Inciso?

MR. WEINTRAUB. Yes; there was a meeting there.

MR. KENNEDY. That was held on February 1, 1956, at the new headquarters, in Beverly Hills?

MR. WEINTRAUB. If that is the date you have, Mr. Kennedy—I have no recollection or record on it at all—if you say that is the date I will accept it.

MR. KENNEDY. At that convention, was a resolution passed expelling Angelo Inciso from the international?

MR. WEINTRAUB. Yes; there was a resolution or motion made, whatever it is, I don't recall the technical term, expelling him.

Mr. KENNEDY. Mr. Chairman, we have a copy of that, of that resolution.

The CHAIRMAN. The Chair hands you what appears to be a photostatic copy of excerpts from the minutes of the international executive board meeting held at international headquarters, Beverly Hills, Calif., Wednesday, February 1, 1956. I ask that you examine it and state if you identify it.

(Document handed to witness.)

Mr. WEINTRAUB. Senator, without even looking at it, I can tell you that if this is the excerpts of minutes of an international executive board meeting, whether they be originals or copies, it is the first minutes I have ever seen, because I never could get any.

The CHAIRMAN. You were never able to get any?

Mr. WEINTRAUB. That is right.

The CHAIRMAN. Were you at that meeting?

Mr. WEINTRAUB. Yes, I was.

The CHAIRMAN. Glance at that and see if there are some facts in there that you recall.

Mr. WEINTRAUB. Of course these are not the full—well, it says excerpts. They are not the full minutes, Senator.

The CHAIRMAN. That is right.

You cannot identify it?

Mr. WEINTRAUB. Yes, I can identify them. These are, in my opinion, correct excerpts of what went on at a portion of the meeting.

The CHAIRMAN. I see. But it is not complete?

Mr. WEINTRAUB. No; it is not complete. It says at the top, "Excerpts from minutes."

The CHAIRMAN. But you do identify the excerpts as being substantially correct?

Mr. WEINTRAUB. Yes.

The CHAIRMAN. That may be made exhibit No. 73, for reference.

(The document referred to was marked "Exhibit No. 73" for reference, and may be found in the files of the select committee.)

Mr. WEINTRAUB. I would like to explain something. There is in these minutes the fact—and there is attached to them a resolution. The minutes show that I moved to strike the "Whereas" or the resolves—no, the whereas from that resolution, and it died for the lack of a second. The reason I did that, Senator, was because there were some statements made in there against Inciso, and I had heard, indirectly and again by rumor, that Inciso was going to sue the international union. There were statements made concerning his activities and things of that kind that I didn't know whether we could actually substantiate. I thought they could expel him just by saying that he was expelled, without reciting all of those facts. But I didn't receive a second for that, and it died for lack of a second.

The CHAIRMAN. All right.

Mr. KENNEDY. You knew, or it was developed before the Douglas committee, that he had set up his own insurance company?

Mr. WEINTRAUB. Yes.

Mr. KENNEDY. That there has been quite a large insurance fund; that he had transferred the insurance fund into his own insurance company; that he had used welfare funds to buy large or expensive gifts, diamond watches, a diamond ring, things of that kind?

Mr. WEINTRAUB. I have read that in the newspaper; yes.

Mr. KENNEDY. So, it was decided, based on this information, although you did not want to get into particulars in the resolution, based on this information it was decided to expel him?

Mr. WEINTRAUB. That is right.

Mr. KENNEDY. To expel Inciso from the union?

Mr. WEINTRAUB. That is right.

Mr. KENNEDY. The following day, did he make an arrangement with Anthony Doria to resign from the union, and to take his local with him?

Mr. WEINTRAUB. Well, I don't know if he made an arrangement, Mr. Kennedy, but it was reported that Inciso had offered to resign, and the announcement of his resignation was to be delayed, I don't know, some future date, 30 or 60 days in the future. There was another general discussion had on that, on discharging him, the fact that he may go to court, and things of that kind. There was opposition to rescinding the motion to expel him. They thought he should be expired, but—

Mr. KENNEDY. Did you think he should be expelled?

Mr. WEINTRAUB. I felt that he should be expelled, but, if my recollection serves me correctly, I did not vote on the order rescinding the thing.

Mr. KENNEDY. He was, however, allowed to resign?

Mr. WEINTRAUB. He was allowed to resign.

Mr. KENNEDY. And he was allowed to take his union with him, and the assets of the union?

Mr. WEINTRAUB. I will put it this way: They revoked the charter of the local and, of course, they went with him.

Mr. KENNEDY. But the treasury of the union?

Mr. WEINTRAUB. The treasury of the union and everything went with the local union.

Mr. KENNEDY. And the value of what he took with him at that time was over \$300,000?

Mr. WEINTRAUB. That, I do not know. I have heard that sum mentioned through the hearings.

Mr. KENNEDY. The ethical practices committee points out that the international voluntarily consented to the departure of the local with a treasury of approximately \$300,000, and with 4,200 union members.

Mr. WEINTRAUB. Well, I don't think they had that much in the treasury. I think that was the value. It later became the fact, through the ethical practices committee, of course, which is months and months later, that there was probably that amount of net worth to that particular local union.

Mr. KENNEDY. The ethical practices committee describes it by saying:

This voluntary self-infliction of major surgery is extraordinary.

The whole union at that time was worth about \$1,500,000.

Mr. WEINTRAUB. That was an overexaggeration. That is another reason why Tony Doria was elected, because, if you will read the report of the national union, who I think have just completed their convention in St. Louis, you will find that they didn't even have enough money to pay for the banquet, and Ed Donahue, I think of region 7, had to pay for the banquet that they had. It was a fictitious

building up of the assets of the international union, and Doria kept the records in such a shape that he also included all of the assets of the local unions and the regions as part of the assets of the entire international.

Mr. KENNEDY. Then it makes it even worse.

Mr. WEINTRAUB. I agree with you; it was very bad.

Mr. KENNEDY. Then Johnny Dio went with \$16,000, Angelo Inciso went with over \$300,000. Ultimately, did you have any dispute and resign yourself? You were not around when Doria resigned himself, were you?

Mr. WEINTRAUB. No.

Mr. KENNEDY. You resigned prior to him?

Mr. WEINTRAUB. Yes. Doria just resigned, you may say, recently, and my resignation has been more than a year ago. I have had nothing to do with the union since last July, I think it was.

Mr. KENNEDY. You were present when the union building was sold in Milwaukee?

Mr. WEINTRAUB. I absolutely knew nothing whatsoever about that until I was apprised of that fact several months before the 1955 convention. I knew nothing about it whatsoever. That was one of the disputes at the last international convention, because I wanted to know why a building was sold, why a holding company was dissolved, without the knowledge of the international executive board. And I have never been able to get an answer to that.

Mr. KENNEDY. Did you know or understand that Mr. Doria had an interest in a real estate—

Mr. WEINTRAUB. Oh, yes; it was known by everyone that he and a fellow by the name of Kallas were partners in, I think it was called, the Badger Realty Co., in Milwaukee, Wis.

Mr. KENNEDY. Did you understand that the building was sold? You say you were never consulted about selling the building?

Mr. WEINTRAUB. I was never consulted. In fact, I never found out about it until months and months afterward.

Mr. KENNEDY. Did you understand that Mr. Doria resigned, or allegedly resigned, from the Badger Realty Co., and that the building was then sold to the Badger Realty Co., the union building?

Mr. WEINTRAUB. I don't know whether he resigned for that reason, but I recall at the executive-board meeting I specifically brought the matter to his attention and asked him to explain why he did this, and I asked him if he wasn't a member of the Badger Realty Co. at that time, and wasn't his position inconsistent. He said, no, he wasn't a member of the Badger Realty Co. Of course, I had no way of forcing him to answer the question.

Senator CURTIS. What does the union constitution provide with respect to transferring real estate belonging to the union?

Mr. WEINTRAUB. In this union, sir, at that time, there was what was called the UAW-AFL Holding Co. That was set up years ago. I know nothing about it.

The union building in Milwaukee was in the name of the UAW-AFL Holding Co., and the members of the international executive board are ex officio members of that. To be frank with you, I never heard of the UAW-AFL Holding Co. until that transaction came in, and then I wondered how it was dissolved.

Inasmuch as I was a member of it, an officer, ex officio, I wanted to know, and I have never been able to find out to this day. I know who dissolved it, but I wanted to know under what authority they dissolved it.

Senator CURTIS. The holding company held the title. Were they the real owners or was this an asset of the international union?

Mr. WEINTRAUB. I assume, Senator, that through the holding company it belonged to the international union. It was bought with international union funds and, as you say, came out of the pockets of the dues-paying members of the various local unions.

Senator CURTIS. I want to clear up something that I think I understand, but I want it correctly. By an international union, do you operate outside of the United States?

Mr. WEINTRAUB. To my knowledge, I will say as a matter of fact we have no local union outside of the United States, with the exception of one that I heard of that Angelo Inciso, at the time he belonged to the union, had somewhere in Cuba, Puerto Rico, or somewhere. I don't know. I hate to say, because I don't know.

Senator CURTIS. In the general terms, when we speak of a union organization, the international union means the headquarters of their activity in the United States; is that correct?

Mr. WEINTRAUB. Senator, I can't tell you. I have always wondered why they say international union. I can't answer that. Your guess is as good as mine.

Senator CURTIS. An international union is not a bargaining agent; is it?

Mr. WEINTRAUB. Well, since the adoption, or since the passage of certain Federal laws by the Congress in various circumstances, I deemed it necessary at times to actually contract with employers in the name of the international union rather than the local union, and I might say that various employers insisted that contracts be signed by the international union so that if anything went wrong they could sue the international union for damages rather than a small local union, which I thought was unfair.

Senator CURTIS. Is that the practice in most cases?

Mr. WEINTRAUB. The practice in most cases is for the local union to sign the contract, and the international union directly has nothing to do with it.

But, as I say, we were forced in a position at times, by virtue of certain Federal laws, and by virtue of the fact that we were in no economic position to contest with the company, to sign contracts with the company in the name of the international union, as much as I hated it.

Senator CURTIS. That leads me to this question: What Federal laws are there, if any, governing international unions, assuming that they are both bargaining agents?

Mr. WEINTRAUB. I don't follow you, Senator.

Senator CURTIS. Our Federal laws, the Taft-Hartley laws, primarily, deal with bargaining agents, the relation between employer and employee. Now, suppose in a union the international union does not enter into contracts with employers, so it does not have to meet the qualifications of a bargaining agent. Then my question is: In such cases, what Federal laws are there, if any, that govern the actions of an international union?

Mr. WEINTRAUB. They still have to comply with Taft-Hartley. The international has to file a financial report, it has to file non-Communist affidavits. Otherwise, the local union that affiliates itself with an international can't go before the NLRB.

Senator CURTIS. They have to file certain reports. What other control, Federal control, if any, is there?

Mr. WEINTRAUB. I have never made a study of it, Senator. I wouldn't know. But, as I say, if the international isn't in compliance with certain Federal laws, the local union has no right to exercise its prerogatives, advantages or disadvantages before the NLRB, and a lot of companies will not deal with it. Of course, it cannot have an NLRB election until the international union complies. Of course, every year our international union complied with all of the provisions. We filed non-Communist affidavits regularly and did everything we could to keep in compliance with the Federal laws.

The CHAIRMAN. Whatever became of the money, if any was received, from the sale price of the building?

Mr. WEINTRAUB. I didn't hear that, Senator McClellan.

The CHAIRMAN. I understand the building was sold in Milwaukee. Is that correct?

Mr. WEINTRAUB. Yes. The building was sold in Milwaukee.

The CHAIRMAN. Who got the money for it when it was sold?

Mr. WEINTRAUB. My recollection is, and again—I think the building sold for \$80,000. The purchaser of the building, Mr. and Mrs. Kallas, made a loan at a building and loan association, or a banking institution, for \$54,000. My understanding is that \$50,000 of it went to the international union, strangely enough, the international union took a mortgage, a second mortgage, for \$30,000 on the very building that it had just a moment or second before that had owned outright in its own name.

The CHAIRMAN. Where did the money go?

Mr. WEINTRAUB. I guess it went into the funds.

Senator, I have never been able to say. I have never seen the records of the international.

The CHAIRMAN. Let us see.

Who did you say purchased the building?

Mr. WEINTRAUB. Let me refer, if I have any——

The CHAIRMAN. Who purchased the building? You gave the name before.

Mr. WEINTRAUB. A Mr. Spros W. Kallas, and a Victoria M. Kallas.

The CHAIRMAN. Who are they? Do you know anything about them?

Mr. WEINTRAUB. Well, my understanding is that Spros W. Kallas had been, according to Mr. Doria's statement, his former associate in the Badger Realty.

The CHAIRMAN. He was the Badger Realty Co.?

Mr. WEINTRAUB. That is right. Whether he was then or not, I don't know.

The CHAIRMAN. Well, he might have been in business.

Mr. WEINTRAUB. Yes.

The CHAIRMAN. And who had been his partner? Doria?

Mr. WEINTRAUB. He and Mr. Doria had been partners in that Badger Realty; that is right.

The CHAIRMAN. It looks like somebody lost some money in that transaction.

Mr. WEINTRAUB. Well, that is just the beginning of it, Senator. On May 3, Kallas sold it under a land contract, the very property that he had not one dime invested in and had already made \$4,000 on by virtue of his \$54,000 loan and on which the union carried a second mortgage. He sold that under a land contract for \$115,000, and the strange thing is he didn't come and pay off the second mortgage.

Whether it is paid off now or not, I don't know.

The CHAIRMAN. How long after he purchased it for 80 did he sell it for 115?

Mr. WEINTRAUB. I think it was sold to him on March 16, 1955, for 80 and the land contract, according to my information, was recorded on May 3, 1955, a month and a half later, for \$115,000.

The CHAIRMAN. And the union only got \$50,000 out of the whole transaction?

Mr. WEINTRAUB. That is right. It may have been paid off by this time. I don't know.

The CHAIRMAN. Initially it only got \$50,000 out of the \$80,000 sale?

Mr. WEINTRAUB. And the second mortgage on its own property.

The CHAIRMAN. A second mortgage for 30?

Mr. WEINTRAUB. That is right.

The CHAIRMAN. Then, a few weeks afterward, it sold for \$115,000, and the second mortgage was not paid off?

Mr. WEINTRAUB. My information is that it has not been paid off.

The CHAIRMAN. You do not know whether it has been paid yet or not?

Mr. WEINTRAUB. I do not know.

The CHAIRMAN. The executive board had no control over it, or no authority, or did nothing?

Mr. WEINTRAUB. As a matter of fact, Senator, as I said before, the executive board absolutely knew nothing about it, or at least I didn't know anything about it, and I have talked to other members of the executive board and they said they didn't know anything about it. The sale was made——

The CHAIRMAN. The executive-board members were ex officio directors of the company that had title to the building?

Mr. WEINTRAUB. Yes. I tried to explain that before. That holding company was a corporation under the laws of Wisconsin. That was dissolved and title placed back in the name of the international union and then the international union sold it.

The CHAIRMAN. Who had the authority to sign the deed?

Mr. WEINTRAUB. Senator, I hate to say. I was under the impression that as far as a business transaction that the executive board should have been apprised of it and either approved or disapproved. If they approved it, they would have given authority to the president and secretary to sign it. But, as I say, to my knowledge and recollection that was never done and it wasn't until months and months later that we even found out that the building was sold.

I assume if you have Mr. Doria on the stand Monday——

The CHAIRMAN. Does this international union have a regularly retained lawyer?

Mr. WEINTRAUB. Yes.

The CHAIRMAN. He has some business to attend to, in my judgment.

Mr. WEINTRAUB. I would like to say, if you want an explanation of how the international union made money on this transaction, I think he will give a logical, to him, explanation of how the union made money out of this. I can't see it. But I think he will try to convince you, or maybe even convince you, that the union made money out of it. I don't know.

Senator CURTIS. You say you did not know anything about this transaction. Were you present every time?

Mr. WEINTRAUB. No; I was not. There were many meetings. I was operated on, and I became ill; but I can say, Senator, that as far as this meeting concerning the sale of the property, I understand that it was never brought before the executive board.

Senator CURTIS. You have had some discussion with other executive board members?

Mr. WEINTRAUB. Yes.

Senator CURTIS. And you have endeavored to find out how it was brought about, and you could not get that information?

Mr. WEINTRAUB. I questioned Mr. Doria, at one of our executive board meetings. As I say, he went up to the blackboard. He had elaborate charts, such as you have here, and he tried to convince me that it was for the good and welfare of the union. I told him I could not understand it. He said, "Well, the convention will take place next week, and I will convince the delegates."

He had the delegates, and the record shows that he convinced the delegates because they voted for him. That is the only explanation I can give. It doesn't make sense mathematically, but that is the answer. If you can pursue it further, why——

Senator CURTIS. Do you have any suggestions on proposed laws that might be enacted that would prevent abuses, such as have been discussed here, from occurring in unions?

Mr. WEINTRAUB. Senator, I have never made an investigation, but inasmuch as you asked me that question, I might say to you that the only way that you will ever be able to curb bad activities in unions, or, for that matter, bad activities in companies on the side of management—I might say, by the way, I was just coming on the plane here from St. Louis, yesterday. I saw where Mr. McElroy, of the Procter & Gamble Co., took the Procter & Gamble Co. plane from Washington to Cincinnati. I can imagine if a union had a plane and one of the officers happened to use that for personal, private flights there would be a big hullabaloo about it.

I want to say this, that I think the only way you will curb this is by having honest, decent people, who are interested in the trade-union movement. I don't know who said it but there is a saying which says that "O're forms of government, let fools contest, what're administered, best is best."

You can pass all the laws you want. If you have thieves and crooks, it is not going to alter the situation.

I think it requires a long process of educating the American worker. Up to this time, he has not been educated in the labor movement. It is the same as the politicians have been unable to educate the American people to vote in political fights, because the record of American voting is very, very poor. I have seen a sign in my home community, it says "Vote in November, don't growl in December."

You can't get the people to attend union meetings. They don't care about it. I daresay that at our convention——

Senator CURTIS. But the things that you have described here, all of these things that were voted 6 to 4, the union members did not have anything to do with that?

Mr. WEINTRAUB. They were all apprised of every one of those things, Senator, because the record that Mr. Kennedy has gives verbatim reports of the convention. I brought it to the attention of the delegates. I told them that Doria has no business in that international union, that he ought not to be voted in, and they voted him in.

Senator CURTIS. He had stacked the convention.

Mr. WEINTRAUB. The convention was not stacked at that time. I just told you that Inciso wouldn't stand for the stacking of the convention.

Senator CURTIS. I know, but they made a deal with them.

Mr. WEINTRAUB. That I can't help. Politicians make deals, too, to get in office, Senator.

Senator CURTIS. In other words, you are advocating no change in the law?

Mr. WEINTRAUB. No; I didn't say that, Senator. I say I am not familiar. I have said this, you can pass all the laws you want. If the people who are in charge of business or labor are dishonest, the things will continue to go on.

Senator CURTIS. Well, I disagree with you totally.

Mr. WEINTRAUB. That is your privilege, Senator.

Senator CURTIS. Our Founding Fathers, when they were laying out the organization of government, they realized that bad men would come along, men who would be given power who could not handle it, but they provided certain checks and balances. They vested authority to execute laws in some agencies. They gave the purse to somebody else. There are things in free government, whether it is in a voluntary society or any other place, that are more conducive to control for the rank and file, and a greater check on that small minority that comes along sometimes that are dishonest.

I do not think that we have discharged our responsibility to the workers of the country when we merely say "The solution of your problem is driving out bad men."

Those things that can be done—and I hope that friends of labor and union leaders will come forward and suggest some of them for consideration—those things that can be done, that will put some checks on these things, ought to be done.

The CHAIRMAN. Are you saying the situation is hopeless?

Mr. WEINTRAUB. No; I am not saying it is hopeless. I say when the Senator asks me do I have any suggestions, I haven't studied the matter. I assume that neither or any of the Members of Congress studied it thoroughly. Otherwise, there would be no need for this. There would have been legislation enacted. But I say in the last analysis, Senator, that whatever you come up with I assume will be for the good of the country as a whole, and I hope you do come up with legislation that is good for the country as a whole, including labor.

But I say this, no matter what laws you pass, if you have dishonest men administering, you are going to have to pass more legislation to tighten up the loopholes.

The CHAIRMAN. Of course, we will always have crime committed, I am sure of that. You can never completely eradicate crime. But we can make an effort to do so, and the more successful the effort, of course, the better it is for this country.

In this instance, I think it is the function of this committee, and it is charged with the duty, of trying to investigate and determine what conditions now prevail and what legislation may be needed to remedy those conditions where it is developed that they are not wholesome.

Mr. WEINTRAUB. I think you are doing a good job, Senator. I think bringing these facts before the American public is a good, wholesome thing. I know some of the facts that have come out have caused a lot of corrections, particularly in the international union at the convention just completed. They passed a lot of reforms and changed their constitution, which I think would not have been done had not certain facts been brought forth in this hearing.

The CHAIRMAN. I think the first source for us to go to, at least that is the way I feel about it, is to the element of labor, and the leadership of that element that want these conditions cleaned up, that want to have honest unions to carry out their mission and purpose of serving the welfare of the laboring people of this country. I think they not only should be given the opportunity, but this committee, I am sure, will solicit their counsel to suggest to us, and they are possibly more familiar with it than anyone else with what goes on, suggest to us so that we may consider it in making recommendations to Congress as to what legislation might help them in their purpose to keep unionism on a high plane.

Mr. WEINTRAUB. I think, Senator, I agree with you.

I think that some legislation is necessary, but when the Senator asked me what, I have never made that detailed a study. That is what I mean to imply.

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. Because of the accumulation of all these things going on, the Dio business and then the stacking of the convention or attempt to stack it, the move to California, which I understand you opposed also—

Mr. WEINTRAUB. That is right. I didn't think an international office ought to be in Hollywood. It ought to be in the heart of the people.

Mr. KENNEDY. You didn't have any activity out there in California.

Mr. WEINTRAUB. None whatsoever, or very little.

Mr. KENNEDY. The center was in the Midwest?

Mr. WEINTRAUB. In the Midwest; that is right.

Mr. KENNEDY. As an accumulation of all these things, you ultimately resigned in 1956, in the middle of 1956?

Mr. WEINTRAUB. That is right.

Mr. KENNEDY. Did you have words with Mr. Heaton or Doria at that time?

Mr. WEINTRAUB. I had no words with Mr. Doria. I had a discussion with Mr. Heaton.

Mr. KENNEDY. Did he suggest you resign?

Mr. WEINTRAUB. Yes.

Mr. KENNEDY. Did he suggest that you would be expelled if you did not resign?

Mr. WEINTRAUB. Yes; he did.

The CHAIRMAN. Thank you very much.

Call the next witness.

(At this point, Senator Mundt entered the hearing room.)

(Members present at this point: Senators McClellan, Mundt, and Curtis.)

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HEATON. I do, sir.

TESTIMONY OF EARL HEATON

The CHAIRMAN. State your name, your place of residence, and your business or occupation, please.

Mr. HEATON. Earl Heaton. 13101 Nimrod Place, Los Angeles, Calif., ex-president of the AIW-CIO——

The CHAIRMAN. Ex-president of what union?

Mr. HEATON. Allied Industrial Workers, AFL-CIO.

The CHAIRMAN. Did that succeed the UAW?

Mr. HEATON. Yes, sir.

The CHAIRMAN. Your term of presidency was since it became the industrial workers; was it?

Mr. HEATON. Part of it was under the UAW-AFL.

The CHAIRMAN. All right, Mr. Counsel.

Mr. KENNEDY. You succeeded Mr. Lester Washburn as president of the UAW-AFL?

Mr. HEATON. Yes, sir.

Mr. KENNEDY. How long had you been in what used to be the UAW-AFL? How long were you in that organization?

Mr. HEATON. Approximately 20 years.

Mr. KENNEDY. Back to what, 1930?

Mr. HEATON. 1934.

Mr. KENNEDY. It was just the UAW at that time?

Mr. HEATON. Yes.

Mr. KENNEDY. And then when it broke into two factions, you went with the UAW-AFL?

Mr. HEATON. That is right.

Mr. KENNEDY. And you have been with them ever since?

Mr. HEATON. That is right.

Mr. KENNEDY. And you decided not to run for office of the presidency in this past convention that was just held this week?

Mr. HEATON. That is right.

(At this point, Senator McClellan withdrew from the hearing room.)

Mr. KENNEDY. Going back to 1950, the period of time in which we are interested, what position did you hold in 1950?

Mr. HEATON. I was regional director for the eighth region.

Mr. KENNEDY. What area does that include?

Mr. HEATON. Indiana, Illinois, Iowa, and Missouri.

Mr. KENNEDY. Did you have any connection with New York at that time?

Mr. HEATON. No, sir.

Mr. KENNEDY. When the charter was granted to local 102, and Sam Zakman and ultimately John Dioguardi coming into that local, were you familiar with the facts surrounding that?

Mr. HEATON. No, sir.

Mr. KENNEDY. You didn't have any connection with it?

Mr. HEATON. Well, I can add that we were told that they had issued a charter in New York and that there was going to be a big organizational drive, but that is the extent of it.

Mr. KENNEDY. Did you have any personal contact with the people in New York, namely Johnny Dio, during this period of 1951-52?

Mr. HEATON. I am not sure of that. They brought him into the international headquarters, or he came in, and we all met him there. That possibly was in 1952. I am not sure.

Mr. KENNEDY. Did you understand he was in charge of the New York area operations?

Mr. HEATON. I understood he was in charge of the taxicab drive, I believe it was, as that time.

Mr. KENNEDY. Subsequently, when 649 was set up and these other locals, did you understand that he was in charge of that operation?

Mr. HEATON. I understood that they used him for what they called a general contact man.

Mr. KENNEDY. Did you know or have any information about whether any of the locals under Johnny Dio paid any per capita dues payments, made any payments to the international?

Mr. HEATON. The only thing I knew about that was that President Washburn and Anthony Doria told us that they were not investing any money in it, and that the per capita tax would be kept in the local union to help defray the expenses. In other words, they would be exonerated for a certain period of time.

Mr. KENNEDY. Did you understand that that all was being handled in New York by Johnny Dio?

Mr. HEATON. Well, I don't believe I had the details on how they were handling it.

Mr. KENNEDY. Did you know that the locals were paying their per capita tax dues, payments, to Johnny Dio, rather than to the international during this period of time?

Mr. HEATON. No, I didn't understand that. I am not sure.

Mr. KENNEDY. Who was handling the operation in New York? Who was responsible? Mr. Doria?

Mr. HEATON. Yes.

Mr. KENNEDY. So he would have all of the details on this matter?

Mr. HEATON. That is right. Or Mr. Washburn, I guess.

Mr. KENNEDY. You are familiar, are you not, with the period of time when Mr. Dio resigned and the charges that preceded that by Mr. Washburn against Mr. Dio and the locals?

Mr. HEATON. That is true.

Mr. KENNEDY. You came to New York and participated in the hearing?

Mr. HEATON. I did.

Mr. KENNEDY. At that time, were you familiar with the individuals that Dio had brought into the labor movement, the Santa Marias, and Cosentino and Cohen?

Mr. HEATON. No, I wasn't familiar with those individuals.

Mr. KENNEDY. Did you make an investigation of that?

Mr. HEATON. I had the attorney, who was going to New York, see what they could find out about them, and he brought back the documents entered in evidence here this morning.

Mr. KENNEDY. You were president of the union at that time; were you not?

Mr. HEATON. That is right.

Mr. KENNEDY. Was it a complete investigation? Did you attempt to have the employers consulted with whom these locals had contracts, for instance?

Mr. HEATON. I don't think so.

Mr. KENNEDY. Did you examine or have examined any of the contracts that existed?

Mr. HEATON. We spot-checked some of the contracts at the hearing.

Mr. KENNEDY. But beyond that you did not go?

Mr. HEATON. No, sir.

Mr. KENNEDY. Ultimately, after the hearing, or during the hearing, charges were made against Mr. Dio and, as I understand it, he was cleared by the executive board but agreed to resign, is that right, subsequently?

(At this point, Senator McClellan entered the hearing room.)

Mr. HEATON. Sometime later he resigned.

Mr. KENNEDY. I understand you made telephone calls to the various members of the board suggesting that Dio be paid \$10,000?

Mr. HEATON. That is right.

Mr. KENNEDY. What was the basis for that?

Mr. HEATON. The basis of that was—well, frankly, I called Mr. Dio in, after we couldn't substantiate our position as far as the charge was concerned, and told him I still thought he should resign. Of course, it got into the matter then where he said that this money he had spent of his own, and he said the understanding was with the former officers that that would be charged to the local union, and when it got financially able, the local union was to pay him back.

Well, I told him I wasn't sure of those arrangements. However, it was obvious from all the conversation that I had heard that he had spent some of his own money.

Mr. KENNEDY. What do you mean he had said that he had made arrangements about that? Who had he made arrangements with?

Mr. HEATON. As I understood it, with Doria and possibly Washburn.

Mr. KENNEDY. Washburn said he knew nothing about it.

Mr. HEATON. I am not sure he did.

The CHAIRMAN. Let me ask you something. If he made claims that he had advanced money to a union, could you not check the union books and find out whether there was any record of it?

Mr. HEATON. He said there were vouchers on it——

The CHAIRMAN. I am not talking about what he said. I am talking about your checking. Could you not have checked and found out?

Mr. HEATON. I didn't check it first.

The CHAIRMAN. You just took his word?

Mr. HEATON. I assumed he had it, because that was the understanding, that he would have to produce them.

The CHAIRMAN. Did he ever produce them?

Mr. HEATON. Yes; he did.

The CHAIRMAN. Proceed.

Mr. KENNEDY. To whom did he produce them?

Mr. HEATON. He produced them to Doria.

Mr. KENNEDY. Did you know? Did you ever see them?

Mr. HEATON. He had a folder and said they were in there. I didn't check them; no.

Mr. KENNEDY. You were the one that made the telephone call to the board members.

Mr. HEATON. That is right.

Mr. KENNEDY. In that telephone call, did you not tell the board members that you had seen the documents?

Mr. HEATON. No; I didn't. I said he was supposed to produce them.

Mr. KENNEDY. To what?

Mr. HEATON. He was to provide them to us.

Mr. KENNEDY. Didn't you make a telephone call to the board members, urging them to pay Dio \$10,000?

Mr. HEATON. I didn't urge them. I told them what the circumstances were.

Mr. KENNEDY. Did you do all that without even looking at the vouchers to see if you actually should pay him \$10,000?

Mr. HEATON. I had just come into office. Doria was not there. He was in California. I didn't know anything about the situation at all.

Mr. KENNEDY. You were president of the union. Without looking or examining the vouchers, you made these telephone calls to the various board members?

Mr. HEATON. That is right.

Mr. KENNEDY. And, ultimately, you paid him \$16,000?

Mr. HEATON. That is right.

Mr. KENNEDY. Did you see any vouchers showing that he had invested that amount of money in the local union?

Mr. HEATON. No, I didn't.

Mr. KENNEDY. You took Mr. Doria's word for it?

Mr. HEATON. I did, sir.

The CHAIRMAN. Did he give you an itemized statement, even?

Mr. HEATON. The vouchers were supposed to be the total amount.

The CHAIRMAN. Well, you never saw the vouchers.

Mr. HEATON. I didn't; no.

The CHAIRMAN. Are you sure anyone else saw them?

Mr. HEATON. Mr. Doria says he had them, and I think they are in the possession of the committee, even. We turned over all the files, and they were supposed to be in. If you will pardon me, I might correct that statement. We turned them over to, I believe it is, the grand jury of the State of New York, Mr. Goldstein, and I told them if you people wanted them just to take them from there.

Mr. KENNEDY. We have examined those vouchers, and the most you can come up with, from an examination of those, Mr. Chairman, is 172 vouchers, totaling \$5,138.83.

Mr. HEATON. Well, that is all I could find in the files. I didn't examine them, even when I turned them over.

Mr. KENNEDY. How could you pay somebody \$16,000 when the most vouchers that you could come up with, possibly, was \$5,138.83 and there was no proof, even there, that this was Mr. Dio's money?

Mr. HEATON. Mr. Doria told me that there were vouchers that would substantiate that, and I didn't question him any further.

The CHAIRMAN. That is kind of a loose practice, is it not?

Mr. HEATON. Well, after all, the secretary-treasurer does keep the records and so forth, and I assumed he was telling the truth.

The CHAIRMAN. Is there any doubt about it now?

Mr. HEATON. Well, if there aren't vouchers anywhere to support that, certainly, there is some doubt about it.

Mr. KENNEDY. You had an exchange of letters with Johnny Dio on his resignation?

Mr. HEATON. Yes.

Senator CURTIS. Before you go into that resignation, I have a question. Did you honestly believe that Johnny Dio had advanced \$16,000 of his own money to promote unionism in New York for the benefit of the workers and the union?

Mr. HEATON. I had heard it stated by Doria that he advanced a considerable amount more than that. What amount, I don't know.

Senator CURTIS. Now, answer my question.

Mr. HEATON. Did I believe it?

Senator CURTIS. Yes.

Mr. HEATON. Well, at that time I had no reason to doubt it. There was no reason for anybody to lie to me about it.

Senator CURTIS. Do you believe it now?

Mr. HEATON. Well, now, I don't know.

Senator CURTIS. What was the date of that check?

Mr. KENNEDY. The date is September 3, 1954.

Senator CURTIS. This check was given to him after all the revelations were made in a weeklong session over whether or not Washburn's action in expelling him should be upheld, was it not?

Mr. HEATON. That is right.

Senator CURTIS. So, everybody knew they were dealing with an ex-convict, and the report of Mr. Goldberg said that he had not been in these ways, that he was not pro-union, and that he was surrounded by hoodlums and thugs and convicts.

Mr. HEATON. If I remember Mr. Goldberg's report, he was stating the opinion of the people he had contacted in New York.

Senator CURTIS. But that was at least a warning, was it not, if it was not proof?

Mr. HEATON. That is right. But, as previously stated here, we had him up on a particular charge. You cannot try a man on one charge and convict him of something else.

Senator CURTIS. No; I am talking about giving him \$16,000.

Mr. HEATON. In that case, it might have been reasonable enough, anyway.

Senator CURTIS. You think he was quite a philanthropist, helped out the cause of unionism, perhaps, to a greater extent than \$16,000?

Mr. HEATON. I didn't say what I thought. I said that is what I hold.

Senator CURTIS. That is all.

Senator MUNDT. Mr. Chairman?

The CHAIRMAN. Senator Mundt.

Senator MUNDT. What do you mean by "in that case that might have been reasonable enough anyhow"? Do you mean it is worth \$16,000 to the union to be rid of that kind of character?

Mr. HEATON. If we couldn't prove a charge.

Senator MUNDT. That is what you meant by that?

Mr. HEATON. Yes, sir.

Senator MUNDT. You had a man you had reason to believe was a convict and a crook but you did not have the evidence at hand to call him before a board or a committee, so if you could buy him off for \$16,000 you thought it was still a good deal for the union, to get rid of him?

Mr. HEATON. If he was doing great damage to the union. It was a matter of relative values, in my opinion.

Senator MUNDT. How well did you know Mr. Dio personally?

Mr. HEATON. Personally I didn't know him very well. I think I had only met him once or twice up to that point.

Senator MUNDT. You sat in on conferences with him and things of that kind?

Mr. HEATON. No; I never sat on any conferences with him.

Senator MUNDT. How did you know him? Socially, do you mean?

Mr. HEATON. No.

Senator MUNDT. Socially? I thought you knew him in union contacts.

Mr. HEATON. He appeared at our international headquarters, and we were introduced to him by Washburn and Doria.

Senator MUNDT. Do you know Jimmy Hoffa, personally?

Mr. HEATON. Yes, sir.

Senator MUNDT. Did Dio know Jimmy Hoffa personally, to your knowledge?

Mr. HEATON. Well, I don't know that he did at that time. I don't know when he got acquainted with Jimmy Hoffa.

Senator MUNDT. Let me put it in the present tense. To your knowledge, does Dio know Jimmy Hoffa?

Mr. HEATON. I should certainly think so. I would say yes.

Senator MUNDT. Would you tell us on what basis you say that?

Mr. HEATON. Well, I have seen him at the teamsters office, conventions, and things like that. I assume he must be acquainted with him.

Senator MUNDT. You saw Hoffa and Dio together at teamsters conventions?

Mr. HEATON. Along with other teamsters, yes.

Senator MUNDT. If you were to classify their relationship or contact, would you say that in your opinion Jimmy Hoffa and Dio are friends?

Mr. HEATON. Well, that is strictly an assumption or a matter of degree.

Senator MUNDT. I am just asking for whatever it was, to try to determine that.

Mr. HEATON. I assume if they associate with each other, they must be somewhat. However, that wouldn't necessarily be true.

Senator MUNDT. You would certainly say they are more than speaking acquaintances.

Mr. HEATON. That is the way I would rather put it. As I say, it is a matter of degree.

Senator MUNDT. All right. You have seen them together. You have probably never sat in on any conferences where both of them were part of a committee, or the three of you, or something of that kind?

Mr. HEATON. No, sir.

Senator MUNDT. Thank you.

The CHAIRMAN. Do I understand from your testimony that what you did was just decide to pay Dio the least you could get him for to get him out?

Mr. HEATON. Well, I was trying to pay the least I could. I did take this position, Senator: If our officers had made such an obligation to him, and he had put the money in, then I felt that there was a certain amount of obligation there.

The CHAIRMAN. But you never determined that, you never looked into it. You just took somebody else's word.

Mr. HEATON. That is true.

The CHAIRMAN. As I understand, the implication of your testimony is that even if you did not owe him \$16,000, it was better to pay him that and get rid of him.

Mr. HEATON. I said it might have been worth it.

The CHAIRMAN. Well, worth it. You must have not thought it had some value to get rid of him. What it actually amounted to was just a form, maybe a mild form, of extortion out of your international union; was it not?

Mr. HEATON. I wouldn't agree with that at all.

The CHAIRMAN. You would not?

Mr. HEATON. No.

The CHAIRMAN. Well, if you pay somebody something you do not owe him to get rid of him, what is it?

Mr. HEATON. I was going on the assumption we did, and possibly that he had spent more than that, with the understanding that he was to get it back.

The CHAIRMAN. You had some correspondence with him about it, did you?

Mr. HEATON. I don't recollect it. I probably did.

The CHAIRMAN. I hand you a photostatic copy of a letter dated September 3, 1954, addressed to you, apparently having the signature of Johnny Dio. Would you examine it and see if you identify it?

(Document handed to witness.)

Mr. HEATON. I identify it.

The CHAIRMAN. You identify it?

That may be made exhibit No. 74.

I hand you what purports to be a photostatic copy of a carbon copy of a reply to that letter by you, to Dioguardi, dated September 17, 1954. Will you examine that and state if that is the copy of the reply you sent to him?

(Document handed to witness.)

Mr. HEATON. I recognize that, sir.

The CHAIRMAN. The witness says he recognizes that as a carbon copy of the reply he sent Mr. Dioguardi, to his letter of September 3. That may be made exhibit No. 75.

Mr. KENNEDY. Could I read them quickly into the record?

The CHAIRMAN. You may.

(The document referred to was marked "Exhibit 74" and is as follows:)

Mr. KENNEDY. September 3, to Earl Heaton, and it is on the stationery of Amalgamated Union Local 649, signed John Dioguardi, president.

DEAR PRESIDENT HEATON: I have your letter informing me that the international executive board is satisfied from its investigation that I have not engaged in any illegal activities as an officer and member of our local union, and that none of the adverse allegations made against me involving my activities in the local union, whether made by individuals, anonymous informants, the press, etc., have in any instance been sustained against me.

Let me first express my appreciation to the executive board for having given me the opportunity to answer, to the best of my ability, completely and fairly all questions which the union attorney and members of the executive board asked, bearing upon all phases of the adverse publicity and allegations of improper activities directed against me.

This was the first chance I had to know all the accusations made against me and to make a complete answer and accounting to the entire board. I have recognized for a long time that the attacks made against me, although untrue, not supported by proof, and in instances not even related to my union activities have provided enemies of our union with a basis for attack against the union itself.

That the executive board of the international union did not allow itself to be stampeded into punitive action against me as a result of these attacks and pressure against it, based on false and untrue attacks against me, must forever remain to the credit of the international union. The insistence of the executive board that our constitution be followed and that I be given a fair opportunity to defend myself, is proof that our organization is built on a solid foundation and it will be here serving workers long after our enemies are gone and forgotten.

I have been considering for some time the advisability of resigning from the UAW-AFL, however I had not done so up to now because I felt that it would not be fair to either the membership of the local union, the international union, my family, or myself, if I did so while I was under fire because of my conduct while an elected officer of local 649. I believed that if I resigned or accepted expulsion without protest under such circumstances, it would be considered an admission on my part that there was some basis for the untrue and unjust accusations which have been made against me.

Now that I have been completely cleared after a thorough and complete investigation by the executive board, I would like to bring to an end the continued use of me as the medium through which attacks have been directed against the international union. I think too highly of our local union membership and the international union to permit myself to be used in this way, and I therefore submit my resignation.

I hope that you will tell the other members of the executive board how much I appreciate the opportunity they gave me of clearing myself, and assure them that I will be always ready to help the union in any way that I can, if they call upon me to do so.

Fraternally yours,

JOHN DIOGUARDI, *President.*

(At this point, Senator Curtis withdrew from the hearing room.)

Senator MUNDT. I would like to check the signature, Mr. Chairman, against the signature on the check for \$16,000. This seems to be an amazingly eloquent letter from a man who takes the fifth amendment on the question of whether he can read and write.

I have them both before me, and unquestionably the signatures appear to be the same. So regardless of who wrote or dictated the letter, it seems obvious that it was the signature of John Dioguardi because this was the signature he placed on the check when he cashed the \$16,000 check.

Mr. KENNEDY. Then you wrote back a letter to him on September 7, 1954. Was this letter written by Doria, although signed by you?

Mr. HEATON. And signed by me?

Mr. KENNEDY. Earl Heaton? Was this letter actually written, composed, by Anthony Doria?

Mr. HEATON. No, it wasn't.

Mr. KENNEDY. It was composed by you?

Mr. HEATON. Yes.

Mr. KENNEDY. It is written to John Dioguardi, September 7, 1954.

(The document referred to was marked "Exhibit No. 75" and is as follows:)

DEAR JOHN: I have received your letter of resignation and I shall, of course, honor your request and accept it. However, I feel that you are entitled to know how I and the executive board feel about this entire situation.

As I have already advised you, the executive board has found that you did not engage in any illegal activities as an officer or member of our local union. Based upon our investigation and on our recent hearing in New York, we could come to no other conclusion.

For one thing, the New York Crime Commission advised us frankly that it had no evidence of improper activities on your part as a union officer, and that the only complaint against you which it had on file were from former officers of a local union who had been removed from such union because of their own improper activities. Similarly, other officers or official organizations were unable to present us with any evidence that your conduct as a member and officer of a local union of the UAW-AFL was in any manner inconsistent with your duties and obligations.

Some of these public agencies which were questioned in our investigations were the district attorney of New York, the New York State Crime Commission, the New York attorney general, the New York State Department of Labor, and the Central Trades and Labor Council of Greater New York.

Our own investigation of your personal financial records, the financial records of the local union, and the local union's collective-bargaining contracts convinced us that the attacks upon you were based upon events which occurred long before you were elected to your present position. We, too, realize that the attacks on you were in great measure merely an instrument for attacking our union.

It is unfortunate that today there is a growing tendency to ignore some of our basic constitutional rights, and to abandon the principles of fair play which have always characterized our American democracy. I, for one, am proud of our international executive board for having insisted that you have an opportunity to tell your story, and for having insisted on your right to be judged on your record as a labor-union representative, and not on something that has gone before.

I am also proud of our membership for having recognized the real issue and for having supported their officers in their determination to keep the International Union, U. A. W., A. F. of L., functioning not only within the requirements of its international constitution, but also within the spirit of American justice.

Fraternally yours,

EARL HEATON,
International President.

In that connection, were you familiar, in your investigation and in your writing of this letter, were you familiar with the record of Abe Goldberg, who Mr. Dio had given a charter to down in Philadelphia, and the fact that he had just been convicted of extortion?

Mr. HEATON. No, I don't believe I was familiar with that.

Mr. KENNEDY. And Joe Curcio, his police record, and the fact that he was working for Dio?

Mr. HEATON. I didn't know he had a police record.

Mr. KENNEDY. And Topazio, who had just been convicted?

Mr. HEATON. I might answer this way, that in Mr. Goldberg's report, I think he had a list of these people, and somehow or other I asked him to get the information of what kind of records they had.

Mr. KENNEDY. I would think that Teddy Ray, Joe Curcio, George Baker, Nat Carmel, Arthur Santa Maria, Dominick Santa Maria, David Cosentino, Anthony Topazio, Joe Cohen, George Cohen, Henry Gasster, Harry Reiss, and Max Chester, who were either convicted of extortion from the time that Dio brought them into the labor-union movement or had just been convicted prior to getting the job, I think that would have made some impression on you?

Mr. HEATON. I believe I checked that list with Mr. Doria, and he said they had all been discharged as soon as those things happened.

Mr. KENNEDY. Many of them not only weren't discharged but they are still active in the labor-union movement.

Mr. HEATON. I didn't check to see how many of them are still there.

Senator MUNDT. Let me ask you a few questions about your letter, Mr. Heaton.

This could be interpreted, it seems to me, in any one of several ways. To interpret this one way, it is quite a eulogy for Johnny Dioguardi, and he could use it, I suppose, to get a job as secretary of a YMCA someplace. But you could also read it from a different corner, and it appears to me to be a lot of gilded guff that you are putting in there as one of the reasons to get him out of the union, to sort of encourage him to withdraw.

Some of this language is pretty cautiously conceived.

You say for one thing, "The New York Crime Committee advises frankly it has no evidence of improper activities on your part as a union officer."

That is quite different from a complete whitewash or a complete recommendation.

Another place you talk about "The complaint against you dealt with previous activities."

I would like to have you tell the committee now, and you are under oath and testifying freely, as to whether you intended this to be a carte blanche endorsement, whether this was conceived with the thought in mind that if you wrote him the proper kind of letter you might be rid of him for once and for all and get him off your backs, or whether you specifically used the kind of language I mentioned in order not to say too much or go too far in your clearing of him, but simply point out that as a union officer he maybe hadn't stolen any money or hadn't gone around with the finances, as against a whole series of illegal activities in which he appears to have been engaged.

Since you can read it through different kinds of glasses, I wish you would tell us, as the author of the letter, what you were trying to convey and what you had in mind.

Mr. HEATON. The letter is based upon what, in my opinion, was the result of the hearing. I tried to stick as close to that as possible and not convey anything either way. I tried to keep it on the basis of the opinion of the board and upon the basis of the facts as we assumed they were.

I think that is what I did. I didn't endorse him and neither did I convict him of anything. I tried to keep in line with what the reasoning of the executive board was and not express my personal opinion either pro or con.

Senator MUNDT. Can you put on the back of a playing card now in a few short words what the opinion of the board was at the hearing, how it was summarized?

Mr. HEATON. In the findings, that we didn't have sufficient evidence of any conduct as a union officer, or since he had been in the union, that we could substantiate.

Senator MUNDT. Did you also find that while you didn't have sufficient evidence to kick him out as a union officer, you did find sufficient evidence or reports or statements so that you wished you had him out of there, that you didn't want him?

Mr. HEATON. Well, I wouldn't testify——

Senator MUNDT. Well, it cost \$16,000.

Mr. HEATON. I wouldn't testify that we found sufficient evidence of that. However, there was quite a publicity campaign against Dio, and I thought he certainly was a detriment to the union.

Senator MUNDT. You are probably right about the evidence, but you did find sufficient reasons, let us say, that you wanted to get rid of him, and you wished he weren't there, and maybe to the extent of \$16,000 thought the union was better off without him and without \$16,000, than they would be with him and \$16,000. Is that about what it amounted to?

Mr. HEATON. \$16,000, again, I will say, was paid on the assumption that that is actually what he put into it, or more, and on his agreement with the former officers.

Senator MUNDT. I was talking about evidence. There wasn't very much evidence he had put in \$16,000. In fact, all we can find is \$5,000. It seems to me that the fact that you shoved him the check so quickly was pretty good evidence that you thought you were better off without him and the \$16,000 and no arguments and no account and no bookkeeping than you were to keep him and your \$16,000 and have him hung on the union.

How about it? Is that a fair statement of fact?

Mr. HEATON. Not according to my testimony.

Senator MUNDT. You didn't try very hard to determine whether you owed him \$16,000; did you?

Mr. HEATON. I checked with the secretary-treasurer and was informed that there was vouchers to substantiate that and more.

Senator MUNDT. And you never found the vouchers. We haven't found the vouchers. You don't know where the vouchers are?

Mr. HEATON. They are supposed to be there.

Senator MUNDT. We found \$5,000 in vouchers.

Mr. HEATON. As I say, I didn't check them.

Senator MUNDT. You reimbursed him for \$5,000 worth of vouchers and paid him \$11,000 to get rid of the ill will that he had. I mean, it was the opposite of good will. You were paying him the ill will by paying him \$11,000.

Mr. HEATON. Senator, I testified that I felt there was that many there or more, for that amount or more.

Senator MUNDT. I don't suppose the usual practice of a secretary-treasurer is to pay out checks on what he thinks might be developed.

Mr. HEATON. Well, I am not the secretary-treasurer.

Senator MUNDT. You were the president. Did you have to sign the check?

Mr. HEATON. I am the ex-president.

Senator MUNDT. You are the ex-president. Anthony Doria signed the check. You didn't sign the check. Did you countersign it?

Mr. HEATON. I should have.

Senator MUNDT. You did. Your name is on the side. Did you ever hear Mr. Doria say anything about the relationship of Mr. Dioguardi and Mr. Hoffa?

Mr. HEATON. About the most I ever heard was, he said they were friends.

Senator MUNDT. Doria said that Hoffa and Dioguardi were friends?

Mr. HEATON. Yes.

Senator MUNDT. O. K.

The CHAIRMAN. Let me ask you this: Prior to the time he wrote the letter of his resignation, had you agreed to pay him the \$16,000?

Mr. HEATON. Yes, sir.

The CHAIRMAN. You had wired other members of the executive board, soliciting them to send you wires authorizing you to pay him \$10,000?

Mr. HEATON. That is right.

The CHAIRMAN. And when you finally paid the \$16,000, the board knew nothing about it; is that correct?

Mr. HEATON. I don't say that is correct.

Well, yes, at that moment; yes.

The CHAIRMAN. At that point.

Mr. HEATON. I would like to point out that in our constitution, the president does have a right to use his judgment and the authority of the board in between sessions, and I exercised that authority.

The CHAIRMAN. Let me ask you if this is not a fact. Vouchers have been found, assuming they are authentic—just assuming that—that Dio had put in some \$5,000 plus into the union and maybe the union should reimburse him for it.

What you were wiring for here and asking these executive members to send you a wire for, was so that you could raise the amount to \$16,000 because you are asking them to authorize you to pay \$10,000.

So you take the vouchers, they ran between \$5,000 and \$6,000, and then this authority from the board to pay 10 and then you pay 16; is that correct?

Mr. HEATON. No, it is not.

The CHAIRMAN. That is the way it appears here. You wired them asking for authority to pay 10.

Mr. HEATON. I might explain it this way, Senator; I have already testified that I assumed the vouchers were there for an amount that would exceed that.

The CHAIRMAN. I know, but that is a pretty reckless assumption; is it not?

Mr. HEATON. I don't think so.

The CHAIRMAN. It appears to be. There is only \$5,000 there. It seems to be reckless two-thirds of the way at least.

Mr. HEATON. I checked with the secretary-treasurer and he said there were vouchers to substantiate it.

The CHAIRMAN. All right.

Mr. HEATON. In this discussion, he indicated that possibly he might accept the \$10,000, but he came back—it took about 3 days—he came

back and said that he had checked and that this certainly would not cover it.

The CHAIRMAN. So before he sent you the letter of September 3, he not only knew he was going to get the \$16,000, but he had a check for it. You had already made the check out and given it to him, had you not, before he wrote the letter?

Mr. HEATON. I don't remember whether it was before or afterward.

The CHAIRMAN. The check is dated the same day as the letter is dated.

Senator MUNDT. The check is dated September 3, 1954.

The CHAIRMAN. And the letter from Dioguardi to you as president is dated September 3, 1954.

Actually he had the check in his possession at the time he wrote the letter. You know that to be the fact; do you not?

Mr. HEATON. I don't remember whether it was before or after the letter.

The CHAIRMAN. It all happened on the same day?

Mr. HEATON. He got it immediately; that is right.

The CHAIRMAN. All right.

Senator MUNDT. Mr. Chairman, I want to say this in his behalf.

If that is what you had to pay to get rid of Dioguardi, and if your board of examiners or jurors could not find anything sufficiently probative to get him removed under your constitution, I still think you made a pretty good deal to get him out of your hair for \$10,000 if he got himself out of your hair. I do not know about that.

But if you got rid of him and got a bad apple out of the way for \$10,000, I think if he stuck with you he would have gotten a lot more than that.

You were talking earlier about Mr. Dioguardi and Mr. Hoffa. You said you had seen them at the teamsters convention. At about how many conventions did you see them?

Mr. HEATON. I did not say teamsters convention. I did not say that. It was the AFL-CIO conventions. I think it was two.

Senator MUNDT. Where were they? What cities?

Mr. HEATON. Once in Los Angeles and once in New York.

Senator MUNDT. Do you remember what years those were?

Mr. HEATON. I believe the one in Los Angeles was 1954.

Senator MUNDT. 1954 in Los Angeles.

Mr. HEATON. And I guess the other one was 1955 in New York.

Senator MUNDT. 1955 in New York City. Those are the only two that you can remember?

Mr. HEATON. That is all.

Senator MUNDT. They are rather recent conventions, 1954 and 1955.

I hope if Jimmy goes through with his ambition to run for international president of the teamsters he does not have Johnny Dio as his campaign manager. I think that would not be good. Or maybe it would, I do not know.

Mr. KENNEDY. He supposedly got out after the payment of \$16,000. Do you know if he took part in any union affairs after that time?

Mr. HEATON. Not to my knowledge.

Mr. KENNEDY. We had some information and evidence yesterday that he was taking the pickets of Local 224, UAW, taking pickets from that local and putting them on a company and taking them off.

Do you know anything about that? That was in 1955 some 6 or 8 months after he was supposed to have gotten out of the union.

Mr. HEATON. No, sir, I don't.

Mr. KENNEDY. Whose responsibility was New York at that time?

Mr. HEATON. Those locals more or less assumed their own responsibility.

Mr. KENNEDY. Was Mr. Doria taking charge of that, also?

Mr. HEATON. He looked after it primarily because he knew more about them.

Mr. KENNEDY. He had the primary contact with this New York situation?

Mr. HEATON. Yes.

Mr. KENNEDY. Do you know after Dio got out he worked through Joe Curcio?

Mr. HEATON. Yes, sir.

Mr. KENNEDY. Joe Curcio was the man who succeeded Dio as being the one sort of in charge of that area?

Mr. HEATON. That is right.

Mr. KENNEDY. We have had some testimony this morning regarding the stacking of the convention or the attempt to do so in 1955. Was that also on the recommendation of Mr. Doria?

Mr. HEATON. It was discussed generally. It was his idea, of course.

Mr. KENNEDY. Mr. Doria's idea. Ultimately, Mr. Doria because of charges by the ethical practices committee, Mr. Doria's resignation was requested; is that right?

Mr. HEATON. Yes, sir.

Mr. KENNEDY. To Mr. Doria at that time, you made an arrangement with him to pay him \$80,000?

Mr. HEATON. No, sir.

Mr. KENNEDY. There was discussion of \$80,000?

Mr. HEATON. Not at that time.

Mr. KENNEDY. Well, was there a discussion after that, subsequently, of the payment of \$80,000?

Mr. HEATON. I might go from that meeting and bring it up to that. There seems to be some confusion here.

Mr. KENNEDY. Could you answer my question if you made an arrangement on his resignation to pay him \$80,000?

Mr. HEATON. No. It was \$50,000.

Mr. KENNEDY. There was never any document stating you were going to pay him \$80,000?

Mr. HEATON. Not at that meeting, no.

Mr. KENNEDY. Just anytime. Was an arrangement made whereby the union was going to pay Anthony Doria \$80,000?

Mr. HEATON. Yes, sir.

Mr. KENNEDY. When was that?

Mr. HEATON. Well, at the executive council it was obvious that their objection was to Anthony Doria.

Mr. KENNEDY. The AFL-CIO ethical practices committee's primary objection during this period of time was to Anthony Doria?

Mr. HEATON. That was their recommendation to the council.

Mr. KENNEDY. That you get rid of him?

Mr. HEATON. That's right.

Mr. KENNEDY. They said there were improper activities within the union and they had in mind at that time Anthony Doria specifically; did they not?

Mr. HEATON. I think so, from their recommendation.

Mr. KENNEDY. Go ahead.

Mr. HEATON. Our international executive board was meeting there at the same time. When this thing occurred there was a directive that gave us 90 days in which to do——

Mr. KENNEDY. What period are we talking about? The end of 1956, is that right, December of 1956?

Mr. HEATON. No. It was in February of 1957.

Mr. KENNEDY. February of 1957?

Mr. HEATON. Yes. And as a result of the directive, it was obvious that they were referring to Doria. Of course, some of them said that. Our board did not particularly know which way to go. The charges were somewhat veiled and there was nobody on the board who wanted to accept the responsibility for filing the charge.

Finally, Mr. Doria made a proposition that his unexpired term—he wanted \$50,000 as a settlement for his getting out without a trial and so on and so forth. The board considered that to be equal to his unexpired term, the amount, and they voted to accept it.

Then we left there and went back to the international headquarters. When he got back he had changed his mind and we got into quite a hassle for several days.

Finally, he indicated that he would accept—no. Then he turned in his resignation. It was over the membership. We had that on the officers' part, but the membership resignation is what we wanted, too. He turned that in, and I assume, obeyed the constitution itself, and then sued or had his lawyer file a complaint for a million dollars.

Mr. KENNEDY. What was the complaint going to be?

Mr. HEATON. Damaged his reputation and impaired his chances of getting another job, and any number of things of that kind.

Mr. KENNEDY. You knew he had prepared to sue, is that right?

Mr. HEATON. Yes, from his lawyers.

Mr. KENNEDY. He had threatened to file suit?

Mr. HEATON. Yes.

Mr. KENNEDY. He came in and said, "I am going to sue the AFL-CIO for the things said about me."

Mr. HEATON. And that his attorneys were preparing the complaint.

Mr. KENNEDY. You felt that in his threatening to sue the AFL-CIO you should pay him more money?

Mr. HEATON. He was threatening to sue us, too.

Mr. KENNEDY. He threatened to sue you for some remarks that you made about him?

Mr. HEATON. That's right, and for threatening his job.

Mr. KENNEDY. So what did you do?

Mr. HEATON. I thought it over and thought about the harassment this organization had been through for about 3 years and if we could stop the publicity and harassment, and if we had ourselves cleared so far as the AFL-CIO would be satisfied, that it would be worth it and it was a settlement out of court, so to speak.

Mr. KENNEDY. How much did you settle for?

Mr. HEATON. Eighty thousand dollars, \$30,000 more than the board originally approved.

Mr. KENNEDY. Did you sign an agreement to that effect?

Mr. HEATON. Yes.

Mr. KENNEDY. Did he also take along a Cadillac car with him?

Mr. HEATON. That is correct. The board had already approved that.

Mr. KENNEDY. So in the past, you had given Johnny Dio, when he resigned, \$16,000, Angelo Inciso a little over \$300,000 when he got out and Anthony Doria \$80,000?

Mr. HEATON. That is right, although he did not get it.

Mr. KENNEDY. He has not gotten it all yet?

Mr. HEATON. Not nearly that.

Senator MUNDT. What did you do about Washburn? Did you give Washburn anything?

Mr. HEATON. Washburn resigned and left. He didn't say anything to anybody.

Senator MUNDT. He seemed to be the one fellow who was trying to clean it up. He didn't get paid very well according to the fellows that dirtied it up.

Mr. HEATON. He resigned and left. He made no complaints.

Senator MUNDT. He was a gentleman?

Mr. HEATON. I would say so.

Senator MUNDT. Yes.

Mr. HEATON. I think he was wrong in resigning.

Senator MUNDT. You think he was wrong in resigning?

Mr HEATON. I do.

Senator MUNDT. In other words, you think if he stayed there and helped to fight it through, he might have cleaned it up more quickly than by resigning?

Mr. HEATON. I think so, yes.

Senator MUNDT. He was not asked to resign?

Mr. HEATON. Not by me or anybody that I know of.

Senator MUNDT. In other words, your interpretation of his resignation is that he wanted to get something done and the board did not do it, so he quit.

If he had stayed there and fought at a further meeting of some kind—is that what you are trying to tell me?

Mr. HEATON. That is what I am saying.

Senator MUNDT. Where did all of this money come from?

Mr. HEATON. From out of the treasury of the international union.

Senator MUNDT. How much does it all add up to, Mr. Heaton, that you had to pay these crooks to get rid of them?

Mr. HEATON. I don't want to—

Senator MUNDT. Three hundred eighty—

Mr. HEATON. First of all, Doria only got \$25,000 and the car. The board did not approve—it was subject to the approval of the board, the \$80,000, but they did not approve it. They took the position as they had before, it is \$50,000 and if he does not want that, let him sue.

Senator MUNDT. How much did he finally get?

Mr. HEATON. He only got \$25,000 and the car.

Senator MUNDT. And the car?

Mr. HEATON. That is right. And he has attached our funds and building and has sued.

Senator MUNDT. He has sued? So this is now in court?

Mr. HEATON. Yes.

The CHAIRMAN. The Chair presents to you a photostatic copy of the settlement agreement and release, apparently signed by both you and Mr. Doria. It is dated the 6th day of March 1957. I will ask you to examine it and state if that is a photostatic copy of the settlement agreed to.

(A document was handed to the witness.)

Mr. HEATON. I recognize it.

The CHAIRMAN. It may be made exhibit No. 76.

(The document referred to was marked "Exhibit No. 76" for reference and will be found in the appendix on pp. 4467-4469.)

The CHAIRMAN. There is attached to that, also, a receipt for some money he paid him; is that correct?

Mr. HEATON. No, sir.

The CHAIRMAN. What is attached to the agreement?

Mr. HEATON. It is a promissory—

The CHAIRMAN. It is a what?

Mr. HEATON. It is a promissory note.

The CHAIRMAN. You executed a note to him for part of the consideration?

Mr. HEATON. A non-interest-bearing note.

The CHAIRMAN. For how much?

Mr. HEATON. \$25,000. Pardon me; \$30,000.

The CHAIRMAN. \$30,000. That may be made exhibit No. 76-A.

(The document referred to was marked "Exhibit No. 76-A" for reference and will be found in the appendix on p. 4470.)

The CHAIRMAN. You also took a receipt from him for \$25,000; did you?

Mr. HEATON. Yes, sir.

The CHAIRMAN. Is that attached?

Mr. HEATON. No, sir.

The CHAIRMAN. I believe it is. Check and see.

Mr. HEATON. That is a promissory note for \$25,000.

The CHAIRMAN. The receipt for the \$25,000 is not attached?

Mr. HEATON. This is a promissory note for \$25,000.

The CHAIRMAN. Were there two promissory notes for \$25,000?

Mr. HEATON. Yes. No; one for 25 and one for 30.

The CHAIRMAN. One for 25 and one for 30?

Mr. HEATON. And he was paid 25.

The CHAIRMAN. The second promissory note may be made exhibit No. 76-B.

(Document referred to was marked "Exhibit No. 76-B" for reference and will be found in the appendix on p. 4470.)

The CHAIRMAN. The Chair may have made a mistake. I just glanced at it, but I thought I saw a receipt for 25.

You gave him \$55,000 in notes. How much cash did you give him?

Mr. HEATON. Twenty-five thousand dollars.

The CHAIRMAN. \$25,000. That made \$80,000?

Mr. HEATON. That is true.

The CHAIRMAN. Now he is suing on the promissory notes; is that correct?

Mr. HEATON. That is correct.

The CHAIRMAN. All right.

Mr. KENNEDY. Does it say anyplace in here that this has to be approved by the executive board?

Mr. HEATON. It is clear in our constitution. He knows that as well as I do.

Mr. KENNEDY. He does, but there is nothing in this contract that you signed with him that has to be approved by the executive board.

Mr. HEATON. Yes, there is.

Mr. KENNEDY. In this contract?

Mr. HEATON. Do you mean written in there?

Mr. KENNEDY. Yes.

Mr. HEATON. No, it is not written. But our constitution is clear. That is the opinion of our attorney.

Mr. KENNEDY. Did you inform the executive board that you had done this?

Mr. HEATON. At the next board meeting; yes.

Mr. KENNEDY. Did you inform or consult with them prior to the time of the promissory—

Mr. HEATON. I didn't take a poll on it because I wanted them to discuss it in a regular meeting.

Mr. KENNEDY. Don't you think it would have been better to discuss it prior to the time that you agreed to pay him \$80,000 rather than afterward?

Mr. HEATON. I would rather have gone through the details.

Mr. KENNEDY. All the details of signing the contract?

Mr. HEATON. And the circumstances leading up to it, and so forth.

Mr. KENNEDY. I don't understand. There is a charge of corruption in New York, and Johnny Dio gets out with \$16,000. There are charges of corruption in Chicago, and the man gets out with \$300,000. There are charges of corruption against Anthony Doria, and he gets out with \$80,000. Washburn resigns and there are no charges against him, and he gets nothing.

Mr. HEATON. Well, I had the same experience with Washburn.

Mr. KENNEDY. There is just one last item.

The situation as far as the issuance of charters, in your union have you followed the practice of having charters signed in blank?

Mr. HEATON. Yes.

Mr. KENNEDY. So Doria has a group of charters signed in blank that he can just issue; is that right; and send out to the people who request charters?

Mr. HEATON. Well, I shouldn't have said yes, really, to that, since I have been in office. What I thought you were referring to was the board members' names are written on there, but they are not signed in blank now, since I have been there, because, every time they issue one now, it is signed by each officer.

Mr. KENNEDY. But, at least prior to the time you came in, the board members would sign the charters in blank and then Doria could issue them; is that right?

Mr. HEATON. Well, if I remember correctly, even then the names were printed on there somehow, of the board members.

Mr. KENNEDY. But it wouldn't have to go through the executive board prior to the time the charter was issued?

Mr. HEATON. No.

Mr. KENNEDY. Under your constitution, aren't you required to have a concurrence of the executive board prior to issuing a charter?

Mr. HEATON. Well, there has been considerable discussion about that. The practice has been, and I think permissible under the constitution—and I am not sure—that the officers did issue the charters, but they were supposed to present them to us on the executive board for approval.

Mr. KENNEDY. Prior to these charters being issued to any individual or group of individuals, did they have the approval, in all cases, of the executive board?

Mr. HEATON. Prior to their issuance? No, sir.

Mr. KENNEDY. And isn't that required under the constitution?

Mr. HEATON. Well, it has always been questionable.

Mr. KENNEDY. What?

Mr. HEATON. It has been questionable.

Mr. KENNEDY. Isn't that a requirement under the constitution?

Mr. HEATON. They must have the approval of the executive board. But it doesn't say they can go ahead and do it, or, if they don't approve it, that they can pick it up, that it must be done before they issue it. However, that has been the practice in the past.

Mr. KENNEDY. That is what?

Mr. HEATON. That has been the practice in the past. They went ahead and issued the charters, and sometimes they forgot to even bring them up before the board. It has been a loose operation, which has been corrected.

Senator MUNDT. Mr. Heaton, on April 12, 1956, you issued a news bulletin, discussing, apparently, some disclosures Life magazine, Salute to Life, had made in this connection. It says:

Life magazine says that local 228 has been dead for approximately 2 years with their headquarters abandoned. Life attempts to make it appear that local 649 of the teamsters union is one and the same. Local 649 is a live union and doing very well. However, they do have an office in the same building and their sign is on the entrance door along with the teamsters. The magazine further states that the president of local 649 has a criminal record. As most of you know, Joe Curcio, whom some of you met at our last convention, has been president of local 649 for 2 years. He does not have a criminal record, and is doing a good job for his local union.

The issue of your news bulletin was April 12, 1956. If you were issuing that news bulletin in August of 1957, would you change it in any way?

Mr. HEATON. I think I would have to revise it some. Not as far as Look magazine is concerned, according to my information.

Senator MUNDT. Life magazine.

Mr. HEATON. But I have learned since that he does have a criminal record.

Senator MUNDT. You did not know it at that time?

Mr. HEATON. I did not.

Senator MUNDT. As a matter of fact, he has been at Danbury Penitentiary for several terms.

Mr. HEATON. That, I still didn't know.

Senator MUNDT. According to our information, he was convicted and sentenced to 9 months in 1944. He was a one-time loser, at least, as far as that is concerned. So you tell us that you now know what you did not know in 1956?

Mr. HEATON. The fact is that I didn't know what the record was until now. But I was told by one of your investigators that he did have a criminal record.

Senator MUNDT. In that same connection—a tie-in between locals 228 and 649—did you know about that at the time you issued this news release, or did you find it out later?

Mr. HEATON. The tie-in what?

Senator MUNDT. Between locals 228 and 649.

Mr. HEATON. It is my understanding that 228 was dead.

Senator MUNDT. It just kind of rolled over and stood up, with a different number on it, local 649?

Mr. HEATON. I don't understand it.

Mr. KENNEDY. According to the testimony before the committee, although you thought it was dead, stated it was dead, 228 was very active for a period of 2 years.

Mr. HEATON. Not according to our records; it wasn't

Mr. KENNEDY. Well, according to the testimony before the committee, the charter got into the hands of Mr. Milton Holt, of the teamsters, and he gave it out to Sam Getlan, under 228, and they filed financial statements with the Department of Labor. He was operating through 1956, and then it went into Philip Kazansky's hands and was operating in 1956. It was operating for 3 years.

Mr. HEATON. That, I wasn't aware of.

Senator MUNDT. When it died, you did not go and pick up the charter and keep it, did you?

Mr. HEATON. It was my understanding that it died before I even got there, for that matter, as president.

Senator MUNDT. This occurred before you were president?

Mr. HEATON. That was my understanding of it; yes. There were a number of those charters that were dead.

Senator MUNDT. When a charter dies or a union dies, what do you do to get the charter back? Do you have a procedure?

Mr. HEATON. We do not always get the charter back. If we do not get it back, we void all the records and so forth, and remove them.

Senator MUNDT. That, apparently, is a loophole in your organization system, because, taking everything across the table as you see it now, from what you said, you thought this charter died, but the charter was still framed and bouncing around from one fellow to another. Some used it for a little while and some used it for a longer while, but they used it to sandbag various employers with, as a paper union.

Do you not think a charter is a pretty important piece of merchandise, something that, once you have issued, if it falls into improper hands, if the union dies, you should have some procedure for getting it back, to void it, for tearing it up, or something?

Mr. HEATON. Normally, they would have difficulty, I assume, getting before the board and so forth for elections and that sort of thing, unless they could show that they were affiliated with the international union. I do not know if they made out reports or not that they were affiliated with the international union.

Senator MUNDT. I do not think so. They said, "We have a charter, and we are a union," and the poor local man paid the dues, and they kept the money. They did not bother about elections, did not care

about officers. They did not want to contact you, and they did not want to contact them. It was perfectly agreeable to have an iron curtain between you and this floating charter. I would think you would have some procedure for picking up a charter.

Mr. HEATON. Well, we haven't done too good on that score, apparently. That is the first time I ever knew of that happening.

Senator MUNDT. Well, I think it is conceivable that you would not know about it.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. Not now.

The CHAIRMAN. This will conclude this week's hearing. The committee will resume its hearings at 10:30 next Monday morning, August 12. The committee stands in recess.

(Whereupon, at 12:30 p. m., the committee recessed, to reconvene at 10:30 a. m., Monday, August 12, 1957.)

(Members present at the taking of the recess: Senators McClellan and Mundt.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

MONDAY, AUGUST 12, 1957

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10:30 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senators John L. McClellan, Democrat, Arkansas; Irving M. Ives, Republican, New York; Sam J. Ervin, Democrat, North Carolina; Pat McNamara, Democrat, Michigan; Karl E. Mundt, Republican, South Dakota; Barry Goldwater, Republican, Arizona; Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, chief assistant counsel; Paul J. Tierney, assistant counsel; Walter R. May, assistant counsel; Carmine S. Bellino, investigator; Frank C. Lloyd, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the select committee present at the convening of the session were Senators McClellan, Ives, Mundt, and Curtis.)

The CHAIRMAN. Before we proceed with witnesses scheduled to testify this morning, the Chair wishes to announce that he has received the following letter from Mr. David Dubinsky, August 9, 1957:

HON. JOHN L. MCCLELLAN,

*Chairman, Select Committee on Improper Activities in Labor or Management,
United States Senate, Washington, D. C.*

DEAR SENATOR MCCLELLAN: The name of the International Ladies' Garment Workers' Union and my name as president have been mentioned in testimony given before your committee in its current hearings.

In order that I may clarify the record before your committee with respect to the International Ladies' Garment Workers' Union and myself, I am enclosing my sworn affidavit relating to this testimony. I respectfully request that the affidavit be made a part of the committee's record.

I shall be in Chicago all of next week for the regularly scheduled meeting of the AFL-CIO executive council. Following my return from Chicago, I will be available to testify before your committee at any time convenient to you and the committee, should you deem it necessary for me to supplement my sworn affidavit.

Sincerely yours,

DAVID DUBINSKY.

The Chair has conferred with other members of the committee regarding Mr. Dubinsky's request and, in view of the fact that he states he will be available after this week to testify before the commit-

tee at any time convenient to the committee, the Chair feels, and other members of the committee agree, that the affidavit may be placed in the record at this point.

The Chair is not going to take time to read it, but it may be printed in the record. The substance of the affidavit denies categorically the testimony given last week to which he referred. It is quite probable, and this is not a positive announcement, but it is quite probable that the committee will require Mr. Dubinsky to appear in person and be subjected to cross-examination and further interrogation with respect to the statements contained in his affidavit.

(The affidavit is as follows:)

STATE OF NEW YORK,

County of New York, ss:

David Dubinsky, being duly sworn, deposes and says:

I am the president of the International Ladies' Garment Workers Union, AFL-CIO, with its headquarters at 1710 Broadway, New York 19, N. Y. I reside at 201 West 16th Street, New York, N. Y.

In the course of the current hearings before the Senate Select Committee on Improper Activities in the Labor or Management Field, references were made to the International Ladies' Garment Workers Union and to me. I submit this affidavit to clarify the record with respect to this testimony.

There is testimony before the committee that I know Johnny Dio. This is not true. I do not know Dio. I have never met him. I have never talked with him. I have never dealt with him. So far as I know, I have never laid eyes on him.

There is testimony before the committee that Dio was employed by the International Ladies' Garment Workers Union in 1950. To the best of my knowledge, this is completely untrue. It is untrue for 1950 and for any other year.

I have never employed Dio in any capacity, nor did I ever authorize anyone else to hire him. I have checked and rechecked our records and questioned our officers. I have not found the slightest indication that Dio was ever employed by the international or by any of its local unions.

There is testimony before the committee about my role in forcing Dio's ouster from any connection with the labor movement. These are the facts:

In the spring of 1952, a number of newspaper articles appeared concerning certain racketeer-infested paper unions which had cropped up in New York. Typical was the New York Times story headline: "Worst Invasion by Gangsters Since 1933."

Almost all the articles referred to Johnny Dio's control of Local 102 of the United Automobile Workers, AFL.

As a member of the executive council of the AFL, I immediately placed this matter before its very next meeting on May 22, 1952. I did so because I felt then, as I do now, that paper and racket-infested locals constitute a serious menace.

Acting on my recommendation, the executive council of the AFL appointed a three-man committee to explore the invasion of labor by the underworld through the device of paper locals.

Mr. George Meany, who was then secretary-treasurer of the federation, was chairman of the committee and Mr. William L. McFetridge, president of the Building Service Employees Union, and I were the other two members.

At the August 14, 1952, meeting of the executive council Mr. Meany reported that the allegations about the paper charters were well founded, that charters had been given to persons who were not workers or in any other way connected with the labor movement, and that such paper locals were "organizing" all over the field.

The next day, Mr. Meany informed the council that in a letter to him, Lester Washburn, then president of the UAW-AFL, had strongly defended the issuance of such charters and had charged that the executive council's investigation of Local 102, UAW-AFL, was in effect aiding and assisting the CIO.

However, because the UAW-AFL representative did not keep his promise to appear before the committee no final action was taken at that time.

About 2 weeks later—my calendar shows that it was August 27, 1952, at 12 noon—Washburn came to my office to discuss this situation with me. I told

Washburn about the recent disclosures made by the New York City Anticrime Committee concerning Dio. I showed him the newspaper reports about Dio's background and reputation and told him how serious a threat to labor Dio was.

Washburn insisted that he needed more than the anticrime committee's reports, more than Dio's police record, more than Dio's unsavory reputation before he could oust Dio.

When Washburn testified before your committee that I then became very angry with him, he told the truth. I certainly did become angry with Washburn. I told him—in no uncertain language—that Dio was not fit to be in the labor movement, that he should get rid of him, and that any union which tolerated a Dio itself had no place in the labor movement.

In February 1953, the AFL executive council ordered the UAW-AFL to revoke local 102's charter. It did not comply. In May 1953, President Meany warned that if the local's charter were not revoked, the AFL would suspend the entire international union. Then and only then was the charter withdrawn.

As I have indicated earlier, there is absolutely no basis for the allegation that I know Johnny Dio nor any basis for the allegation that Dio was employed by the International Ladies' Garment Workers Union.

There is further testimony before the committee that at my office Washburn "proved" to me that Dio had once worked for the ILGWU on a special assignment from an ILGWU vice president to help the union organize a plant in Roanoke in 1950. I categorically deny that there was any discussion or any reference at all to Dio's alleged employment by the ILGWU.

As for the so-called proof I was never shown any proof of such alleged employment. Again I repeat emphatically that to the best of my knowledge no such employment existed.

I have conferred at length both with the ILGWU vice president and with the district manager in charge of the Roanoke organizing campaign. The facts are that the Roanoke shop was organized by our union in 1945, not in 1950 and that Dio was the very opposite of a union representative.

He was held out by the management of the firm to be one of its partners and the union dealt with him as such. He was the firm's representative, not ours; he was on the firm's payroll and not on ours.

In fact, as the employer, Dio was so opposed to our union even after the agreement was signed, that the workers were compelled to go out on strike before the firm would abide by its agreement.

There is testimony before the committee that Washburn had allegedly been told that a vice president of the International Ladies' Garment Workers Union had said that Dio was O. K. This information was purportedly given to Washburn by Mr. Francis A. Henson then educational director of the UAW-AFL.

We have since contacted Mr. Henson. He told us that he never spoke to any vice president of the International Ladies' Garment Workers Union about Dio at Washburn's request but that he did speak over the phone to an official of one of our smaller locals—who had no authority to speak for the ILGWU—who expressed his personal opinion that perhaps Dio should be given a chance to redeem himself.

In addition, Mr. Henson told us that on his own initiative, he had indeed discussed Dio with one of our New York vice presidents on a number of occasions and that the vice president had roundly denounced Dio and had denounced the UAW-AFL for giving him a charter.

Moreover, Mr. Henson told us that he had reported these conversations to Washburn, too. Washburn therefore knew that in the eyes of the one ILGWU vice president who had discussed Dio with Henson, Dio was by no means O. K.

And if Washburn really had any doubts about that, they must certainly have been dispelled by my role in initiating the investigation of Dio and in urging that the AFL order both Dio and his paper locals ousted from the labor movement. Indeed, before this very committee, Washburn finally conceded that I "moved heaven and earth" to have Dio ousted from the union.

There was testimony before the committee that Sam Berger, then an officer of a local union of the ILGWU, had used his good offices to get the UAW-AFL to issue a charter to one Zakman for Local 102 of the UAW-AFL in October 1950.

This was the local subsequently taken over by Dio. The implication has been created in this testimony before the committee that I knew at the time of Berger's efforts to get a charter from UAW-AFL and that I did nothing to stop Berger before the charter was issued.

There is absolutely nothing to this implication. I had not the slightest knowledge that Sam Berger had had anything to do with obtaining the charter for local 102, UAW-AFL, until more than a year after the charter was issued.

The first time I learned of Berger's role in this connection was when I read about it in the newspapers at the end of 1951 or the beginning of 1952. As soon as I read this report I requested Berger to appear before me.

He admitted that he had intervened with the leaders of the UAW-AFL to obtain a charter for Zakman. I told him he had not business seeking a charter for anybody from another international union.

He explained that he had merely intervened on behalf of his friend. I told him that I did not accept this explanation and reprimanded him severely. I reported this reprimand to the general executive board of the ILGWU and repeated this reprimand publicly and in print to the delegates of our 1953 convention as follows:

"Manager Berger's intervention in behalf of a 'professional organizer' who sought and obtained a charter from the AFL Auto Workers Union was contrary to the tradition and spirit of our union and was, therefore, severely criticized by President Dubinsky and by the GER." Report and record of the 28th Convention of ILGWU, May 18-25, 1953, p. 200.

I am proud of what organized labor has done and is doing under the leadership of George Meany to keep the labor movement free from corruption. I am proud that labor's new concept of its responsibilities has given me, together with other leaders of labor, the opportunity to translate our opposition to racketeering into practical reality.

That reality—the action taken against the UAW-AFL, the laundry workers, the distillery workers, the waste handlers, and others—surely is a milestone in labor's history and of momentous importance to its future.

I am likewise proud of the part I played in the introduction of the resolution at the 1940 AFL convention against labor racketeering, the resolution which was the cornerstone for the entire drive against racketeers and their paper locals 12 years later; in raising the question of racketeers and paper locals in 1952 at the executive council of the AFL; in the AFL committee on paper locals which ultimately led to the expulsion of Dio and other labor racketeers; in the ouster of the racketeer-infested ILA; in the formation and work of the AFL-CIO ethical practices committee; in the formation of the codes of ethical practice adopted by the AFL-CIO, including the code against paper locals; and in being the first to propose to the organized labor movement that we must support legislation to insure that racketeers shall have no place in our employee welfare funds.

In sum, my record is clear that far from having had even the remotest connection with Dio or his ilk, I am a sworn enemy of his and of every racketeer in the labor movement.

We know that we have a tough fight on our hands. We know we can expect that as the racketeers and their dupes are exposed they will attempt to divert attention from themselves by accusing their accusers. We know we can expect that they will stop at nothing to discredit the many labor leaders in the AFL-CIO who are determined to drive them out of the labor movement.

I have faith that the American public, and the committee, will not be taken in by such tactics. I have faith that those of us who are determined to rid the labor movement of any vestige of racketeering will emerge victorious.

And as for myself, I can assure the committee that I will no more be stopped by the smears of the underworld and their fellow-travelers in 1957 than I was stopped by their fists in 1940.

(Signed) DAVID DUBINSKY.

Sworn to before me this 9th day of August 1957.

(Signed) WILBER DANIELS,

Notary Public, State of New York, No. 31-5914950.

Qualified in New York County. Commission expires March 30, 1958.

The CHAIRMAN. Call the first witness.

Mr. KENNEDY. Mr. Anthony Doria.

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DORIA. I do.

TESTIMONY OF ANTHONY DORIA

The CHAIRMAN. Mr. Doria, be seated.

Will you state your name, and your place of residence, and your business or occupation, please, sir.

Mr. DORIA. My name is Anthony Doria, and my residence is Encino, Calif., and I am presently involved in the development of mining properties in Arizona.

The CHAIRMAN. Mr. Doria, you are familiar with the rules of the committee, which grant you the privilege of counsel as you testify, to advise you regarding your legal rights?

Mr. DORIA. Yes, I am familiar with the rules, but I am not requesting counsel.

The CHAIRMAN. You waive counsel?

Mr. DORIA. I am waiving counsel; yes, sir.

The CHAIRMAN. What was your previous occupation, Mr. Doria?

Mr. DORIA. I was formerly the international secretary-treasurer of the United Automobile Workers of America, AFL, and later was changed to the Allied Industrial Workers of America, AFL-CIO.

The CHAIRMAN. Thank you very much.

Mr. Counsel, you may proceed.

Mr. KENNEDY. How long were you with the AFL-CIO?

Mr. DORIA. I was with the labor organization that changed its name to UIW for approximately 20 years.

Mr. KENNEDY. When did you become secretary-treasurer?

Mr. DORIA. I became secretary-treasurer in December, I believe it was, 1943.

Mr. KENNEDY. And you held that position until this year?

Mr. DORIA. I held that position until March of this year, when I resigned that position.

Mr. KENNEDY. You were also connected with local 286 in Chicago?

Mr. DORIA. Yes, sir. As a matter of fact I was in Chicago in 1941 while acting as vice president of the organization, and the original work in the development of local 286 was carried on then. I became originally associated with the activities of 286 and continued them throughout my career in the labor movement.

Mr. KENNEDY. Specifically, from 1950 on, what was your connection with 286?

Mr. DORIA. In the administering of the affairs of local 286, I acted from the standpoint of an organizer of the international union. I acted as assistant to the vice president of the international and from time to time I was secretary-treasurer of that local union, and again changed over between administratorship and the treasurership of the local union.

Mr. KENNEDY. You always were connected with it in some capacity then?

Mr. DORIA. Not always. There were many times where I was not.

Mr. KENNEDY. I am just talking now from 1950 on. What was your position, and from what periods of time were you secretary-treasurer?

Mr. DORIA. Mr. Kennedy, I don't believe I could give you exact dates, and I don't have records on that, but I last resigned my position with local 286, I believe it was immediately prior to the 1955 convention of the international union, which was held in November,

and therefore the resignation must have been some time during the period of possibly August of 1955.

Now, that was a recollection, and I can't pinpoint it.

Mr. KENNEDY. You didn't have anything to do with it after August of 1955?

Mr. DORIA. When the last resignation took place, prior to—and the only way I can peg it is by referring to the convention, the 1955 convention of the international union. Then I had nothing to do with the local union thereafter, that is right.

Mr. KENNEDY. That would be the end of 1955, or August of 1955?

Mr. DORIA. It would be prior to November of 1955, and that period when I resigned, and if I had records I could, possibly, give you the exact date, because there was a communication of the time that I did make my resignation.

Mr. KENNEDY. You didn't have anything to do with the union once you went to California?

Mr. DORIA. No. The fact is that, when I went to California, I was still connected with it, and retained my connection with the local union for some period.

Mr. KENNEDY. What year was that?

Mr. DORIA. After I was in California. We moved to California, I believe it was in 1954.

Mr. KENNEDY. Were you secretary-treasurer of local 286 in Chicago while you were in California?

Mr. DORIA. Yes, for a period of time.

Mr. KENNEDY. And you received a salary for that?

Mr. DORIA. Yes, sir; I did.

Mr. KENNEDY. How much salary?

Mr. DORIA. \$150 a week.

Mr. KENNEDY. For being secretary-treasurer of a local in Chicago while you were in Los Angeles, Calif.?

Mr. DORIA. I handled all of the records at that time, of the local union, and I handled all of the contract work, and I handled all of the organizational literature, and I did a lot of the work, and I handled all of the appearances before the National Labor Relations Board for our local union.

Mr. KENNEDY. Were you secretary-treasurer during the time Angelo Inciso was president of the local?

Mr. DORIA. Yes, sir.

Mr. KENNEDY. As I understand it, Angelo Inciso was removed from the international. First it was voted that he should be removed, and then he withdrew from the international.

Mr. DORIA. That's right, and I think you have the order in the proper sequence.

Senator MUNDT. Before we get too far into the matters you want to interrogate Mr. Doria about, I wonder if we could get a little more background about Mr. Doria, the man.

Are you a lawyer?

Mr. DORIA. No; definitely not.

Senator MUNDT. Could you give us a rundown on where you were born and where you went to school and what you did until you got to be in the labor movement?

Mr. DORIA. To the extent I can; yes. I will be glad to give it to you if you require it.

Senator MUNDT. I don't require it, but I can evaluate your activities better if I know something about it.

Mr. DORIA. I was born in Widatch, Ill., and my father was a coal miner. He worked in the coal-mining fields in and about Herrin, Ill. I went to school during my grade school in Herrin, and I moved to Milwaukee, Wis. I finished high school in Milwaukee, Wis. Thereafter, as far as education is concerned, I continued after leaving school with various courses in engineering, mechanical, electrical, and I took a little prelegal work to prepare for real estate, and I completed auditing. As a matter of fact, when I came into the labor field I was preparing to be a certified public accountant, which I gave up because of the interest I developed in the labor movement. During the time that I was associated, then, with the labor movement, I was originally the educational director of my local union, in Milwaukee, Wis., because I joined this union as a worker out of the Briggs & Stratton plant.

Senator MUNDT. Where?

Mr. DORIA. At the Briggs & Stratton plant, in Milwaukee, Wis.

Senator MUNDT. You were a worker?

Mr. DORIA. I was employed there for 4 years.

Senator MUNDT. As an engineer?

Mr. DORIA. No; I was working in an office, in the shipping office, in the Briggs & Stratton plant. I think that I was employed there, approximately, in 1933, to continue throughout until, approximately, 1937, and I am just giving those dates from memory.

Senator MUNDT. That union was what union?

Mr. DORIA. At that time I joined the United Automobile Workers Union, AFL. Following the split in the labor movement, by virtue of that split, there developed the first bit of rivalry between UAW-AFL and UAW-CIO.

I became associated with the union approximately in 1936 out of the Briggs & Stratton plant, as a worker out at that plant. I went on voluntary organizational work for the union in 1936 without pay. I continued in that capacity until approximately the beginning of 1939, or a little bit prior to that. At the convention that was held in Detroit, I then, following that convention, by virtue of my activities, became associated as a full-time employee of the international union.

Along that same period of time I became chairman of the district council of the district in Wisconsin. I followed that up by becoming then a full-time organizer in 1941, and, in the convention in Cincinnati, I was elected vice president of the international union, and I was assigned to activities in Chicago on organizational work, as vice president for the international union. I continued in that capacity for a period of approximately 2 years until the next convention, which was held in Chicago and at that time I was elected secretary-treasurer.

I continued my position as secretary-treasurer until March of this year, when I resigned my position from the international union. During that period of time, however, I was active——

Senator MUNDT. Of this year, Mr. Doria?

Mr. DORIA. Yes, sir, of this year, when I resigned; March of this year.

Senator MUNDT. At this time, you were living not in Milwaukee but in Chicago?

Mr. DORIA. In 1941, you mean?

Senator MUNDT. In 1941 and from then on.

Mr. DORIA. From 1941 to 1943, I lived in Chicago. As vice president of the international union; yes, sir.

In 1943, when I became elected secretary-treasurer, we then moved our headquarters to Milwaukee, Wis., from Detroit. Our headquarters were then in Detroit, Mich.

So, approximately January of 1944, we established our headquarters in Milwaukee, Wis., and they remained in Milwaukee, Wis., until such time as they were then moved to California in, approximately, and I think it was, 1954.

During that time, for the union, I set up an accounting system for them, and I handled practically all of the work that pertained to industrial engineering for the union, and I handled all of the matter of publicity related to industrial engineering and contacts with the various labor organizations as well as labor schools.

I had extensive teaching at the University of Wisconsin within the labor school, taking classes there in conjunction with the industry group that controlled the industry schools in the university, as well as with the labor school, and tried to coordinate activities to give a better understanding to both groups of what each was trying to do.

Generally, I participated in practically every activity in the organization, to the detriment, of course, of the time that I could spend as secretary-treasurer, by virtue of the fact that the organization was not a large organization.

Senator MUNDT. I think we might summarize it by saying that the major part of your active career in labor, insofar as you have served as a full-time employee of labor, you have been either international vice president or international secretary-treasurer.

Mr. DORIA. With all of the duties that might go along with that office, as well as others; that is right.

Senator MUNDT. During that period of time, would you give me the names of whoever was president of your international organization?

Mr. DORIA. Yes. When I originally became vice president of the organization, and was an international officer for the first time, the international president at that time was a man by the name of Irving Carey. Following the presidency of Irving Carey, then the next man to succeed him was Lester Washburn, and following Lester Washburn it was Earl Heaton.

Senator MUNDT. You served under three different presidents?

Mr. DORIA. That is right. Actually—

Senator MUNDT. Is that the same Mr. Washburn who was before our committee last week?

Mr. DORIA. Yes, sir. Actually, as an organizer, I even served under Homer Martin, the original president of this particular international union.

Senator MUNDT. Thank you.

Senator CURTIS. What was your compensation as secretary-treasurer of the international union?

Mr. DORIA. At what time, sir?

Senator CURTIS. When did you say you resigned as such?

Mr. DORIA. In March of this year.

Senator CURTIS. At the time of resigning.

Mr. DORIA. \$15,000 per year.

Senator CURTIS. And that was all?

Mr. DORIA. That is right.

Senator CURTIS. No expense allowance?

Mr. DORIA. Well, that was my salary. As to the expense allowance, there were no allowances, as such, and the only thing that we had was that expenses that were incurred on assignment for and on behalf of the international union would, naturally, be paid by the international union.

Senator CURTIS. Now, in the year or two just preceding your resignation, you were also on the payroll of this local union?

Mr. DORIA. That is right.

Senator CURTIS. How much did that amount to?

Mr. DORIA. \$150 per week.

Senator CURTIS. That is about \$8,000 a year.

Mr. DORIA. \$7,800, exactly, I believe.

Senator CURTIS. Did you have an expense allowance there?

Mr. DORIA. No. There we had no expenses of any kind, nor was I handling any expenses there, of any kind.

Senator CURTIS. Then, did you have any other union income besides those two items?

Mr. DORIA. No; not that I can recall, at all. That would be the income that I had as a union representative. It was either from international union or from local 286.

Senator CURTIS. That is all, for now.

Mr. KENNEDY. Now, you were secretary-treasurer at the time that Angelo Inciso was president of the union?

Mr. DORIA. I was secretary-treasurer on various occasions. That is when Angelo Inciso was president of the union.

Mr. KENNEDY. There was a resolution offered to expel Angelo Inciso from the international, was there not, on February 1, 1956?

Mr. DORIA. Would you like to have the entire story on that? I cannot pick it up on the basis of getting it out of the middle, Mr. Kennedy, but I will give you the whole story on it, if you are interested in it.

Mr. KENNEDY. Might I ask you a few questions and we will see how we come along. Was there a resolution offered at that time, in February of 1956, that he should be removed from the union?

Mr. DORIA. Well, there was a resolution presented to the board. There was, as I recall this, a resolution presented to the board with respect to Inciso and the local in Chicago. However, do you want me to just answer your question, and let you handle it, or do you want me to elaborate upon it?

Mr. KENNEDY. I have heard you elaborate before.

Mr. DORIA. Well, it is perfectly O. K., and I will do it either way that you want to. Very frankly, I think a more coordinated story will come from my elaboration.

(At this point Senator Goldwater entered the hearing room.)

Mr. KENNEDY. If we could find out if there was a resolution offered.

Mr. DORIA. There was a resolution offered; yes, sir.

Mr. KENNEDY. And on the following day he was allowed to resign, as I understand it. That is according to the testimony before the committee.

Mr. DORIA. I can't tell you on days, but it was during that same board meeting that he was allowed to resign.

Mr. KENNEDY. Now, one of the charges against him, and I read the resolution, is that he brought the union into disrepute, and it says here—

by his expenditures of local-union funds, which expenditures do not bear a reasonable relationship to the purposes for which such local union was chartered.

Mr. DORIA. Yes; that was the resolution.

Mr. KENNEDY. Now, were you secretary-treasurer of the local at that time?

Mr. DORIA. At the time that this resolution was offered?

Mr. KENNEDY. No. Were you secretary-treasurer of the local when Mr. Inciso, supposedly, was misusing union funds?

Mr. DORIA. When he was allegedly misusing them; yes.

Mr. KENNEDY. You were secretary-treasurer?

Mr. DORIA. Yes, sir.

Senator CURTIS. Was he misusing them?

Mr. DORIA. To my knowledge, no. Because Inciso, at all times that I checked his records, had not only the approval of his joint board, which was the highest authority in his local union, for the expenditure of those funds, but he was sufficiently well entrenched in his position and liked by his people, very frankly, that he could not only get approval before spending it but could get ratification in writing after he spent it.

Senator CURTIS. That does not answer my question. I asked you if his spending was unreasonable, and you answer me and say that his board approved it. I want to know whether he was guilty of—

Mr. DORIA. That is asking for my own conclusion, and I could give you whatever feelings I have in the matter, if you are satisfied with them, but I don't believe it would establish any fact.

Senator CURTIS. It does not establish anything, that his board approved it. Klenert and Valente got their board to approve everything, too, but the workers' money was gone.

Mr. DORIA. Would you say if this Congress approved an expenditure and you spent it according to the approval of Congress, you would be doing something wrong?

Senator CURTIS. You were not only secretary-treasurer, but you have qualified yourself as an accountant, and an auditor.

Mr. DORIA. I was not in any capacity as an accountant or auditor. I merely said I studied accounting and auditing.

Senator CURTIS. And you were headed toward getting your CPA, when you decided to go into labor work.

Mr. DORIA. That is right.

Senator CURTIS. Now, were all of his expenditures proper expenditures to charge to the union?

Mr. DORIA. They were proper to the extent that they were properly approved by his board, and that is the only control that the international had. After all, the international had a constitution, and had rules to abide by. The expenditures were predicated upon following those rules. When a local chose to follow those rules, and spend the money in accordance with those rules, there was nothing that the international could do about it.

The CHAIRMAN. Do I understand you to say that notwithstanding the money might have been spent for purposes other than promote the interest of the union and the working people, if his board approved it, either approved the expenditure in advance or ratified it afterward, the international union then could not do anything about it even though it knew the funds were for an improper purpose?

Mr. DORIA. If the international knew that the funds were for an improper purpose, and the international had evidence of the fact that funds were expended for an improper purpose, then the individual that would have had knowledge of those facts as a member of the union would have been in a position to prefer charges against the individual so expending the funds, or the organization so expending the funds, and ask them to be removed.

The CHAIRMAN. Let us assume that he used the money for a bribe. Would you call that a proper purpose?

Mr. DORIA. I don't know how you would define a "bribe."

The CHAIRMAN. How would you define it?

Mr. DORIA. I know a little about the history of Angelo Inciso, everything connected with him over a long period of time, and I have been in a few hearings before, where I have recounted the stories over and over again.

But let us take for example an expenditure to spend money, the famous Douglas committee hearings, we might go back to for a moment. They criticized him for the expenditure of funds for buying diamond rings. Diamond rings that cost approximately \$1,000 were on those records. Angelo stated that he gave the diamond rings to people that had assisted him in organizational work.

The CHAIRMAN. That is a pretty good coverup; isn't it?

Mr. DORIA. No, it isn't; because to me there is nothing new.

The CHAIRMAN. We found a lot of things covered up in organizational work.

Mr. DORIA. I think you do; but the mere fact that you find things that are covered up does not indicate that all fall under the same category.

The CHAIRMAN. They fall under a category that requires explanation at least.

Mr. DORIA. Definitely; I think the explanations ought to be made.

The CHAIRMAN. All right.

Mr. DORIA. That is what I am attempting now.

The CHAIRMAN. Proceed.

Mr. DORIA. But if in buying a diamond ring for \$1,000 to give to someone that can assist you in a local union, with respect to the activities that are the proper activities of the local union, you can save an expenditure of \$10,000 in cash, then I would have to say that the individual handled it quite shrewdly, and advantageously for the local union, rather than dissipating the funds of the local union.

The CHAIRMAN. That would reverse everything we have found here in this investigation, if you can show where they bought a diamond ring for \$1,000, and saved \$10,000 in cash. We have not found anything that looks like that.

Mr. DORIA. Well, if you haven't found it, you probably haven't run into it. But I do know that Angelo Inciso—

The CHAIRMAN. We sure haven't run into it.

Mr. DORIA. I do know that Angelo Inciso in the expenditure of his funds in local union, developed the richest as well as the largest local union in the international union.

Senator CURTIS. Now, I want to ask you this: Who got this \$1,000 diamond ring?

Mr. DORIA. I don't know.

Senator CURTIS. You were secretary-treasurer, were you not?

Mr. DORIA. As secretary-treasurer, let us clear that matter, so that we don't—

Senator CURTIS. You were secretary-treasurer.

Mr. DORIA. Yes; but let us clear the duties and responsibilities of a secretary-treasurer of any local union.

The secretary-treasurer of a local union in an amalgamated local union does nothing more than to merely disburse the funds that are approved by the joint board of that local union. The secretary-treasurer does not have the right to nullify any acts of the joint board. Once the joint board has approved the expenditures of those funds, the secretary-treasurer merely disburses those funds in accordance with the instructions and the orders of that joint board.

Senator CURTIS. Was any receipt ever placed in the records for this diamond ring?

Mr. DORIA. Well, how did the Douglas committee discover it? Had it not been that a complete record was kept, not only of the amount—

Senator CURTIS. I mean a receipt from the man who got it.

Mr. DORIA. Well, I had never heard that you give a man a gift and you ask him for a receipt.

Senator CURTIS. Well, this is one to save \$10,000, and this was somebody else's money. This was workers' money.

Mr. DORIA. Let us not be naive. In industry today every purchasing agent, I think, can better explain the very thing that we are discussing now than I can. If a purchasing agent by virtue of certain considerations is given a gift, he does not give receipts for it.

I don't think labor was obligated to give receipts for the same type of a transaction.

Senator CURTIS. At least, some knowledge as to who got it. That is what I mean.

Mr. DORIA. There was a complete record, as I stated, not only of the amount of the purchase, not only the individual from whom it was purchased, but also the individuals to whom it went, the time of the purchase and how it was paid for, as a record.

Senator CURTIS. Who did it go to?

Mr. DORIA. I don't remember that. It was testified to at a previous hearing before a committee. I did not handle that.

Senator CURTIS. Was there an expensive watch or something else involved?

Mr. DORIA. Yes. At the time I was in the hearing room when this testimony came out, there was a watch, I believe, and there was probably another ring. I don't recall the exact items that were involved.

Senator CURTIS. That was the first you knew about it?

Mr. DORIA. No. I knew about that before, at the time that the vouchers came through, when I checked with Angelo, and he told me that these were gifts that were given to people that had assisted the local union and had been approved by the local union.

Senator CURTIS. Does Inciso have a criminal record?

Mr. DORIA. Yes; I understand that Inciso does have a criminal record.

Senator CURTIS. You knew this all this time?

Mr. DORIA. Well, I knew it from the very first day that he started with the union. That is why I opposed Inciso coming into the union.

Senator CURTIS. That is all, Mr. Chairman.

The CHAIRMAN. All right, Mr. Kennedy.

Mr. KENNEDY. So that I get it straight, you say it has been testified who got the two diamond dial watches and watch bands, the \$1,000 diamond ring and the other \$1,200 diamond ring. You say that was testified to?

Mr. DORIA. That was testified to before the Douglas committee.

Mr. KENNEDY. And it was in the records as to who received those items?

Mr. DORIA. My understanding on that was that the records came right out of the union records, and that the committee asked Angelo these questions on the basis of the records that already existed.

Mr. KENNEDY. At the time you approved these expenditures, you say you were receiving some \$8,000 every year during this period of time for being secretary-treasurer. At the time you were approving these expenditures, did you know where this money was going?

Mr. DORIA. Yes; I checked with him.

Mr. KENNEDY. You knew it was being used for these purposes?

Mr. DORIA. Yes. Let me tell you how I followed that through. I would not disburse a penny until a voucher came to me that had been previously approved by the local union and by the authority that had been established by the joint board.

Mr. KENNEDY. They do not have every voucher approved by the local union; do they?

Mr. DORIA. No, they don't, because they authorize Angelo or the executive board to do it.

Mr. KENNEDY. So you knew how this money was being expended?

Mr. DORIA. Yes. As a matter of fact, one time I asked him about these expenditures. He told me how they were made, and I said, "Are they approved?" and he said, "Certainly." So, as long as they were approved, we disbursed them.

Mr. KENNEDY. So the purchases of these diamond rings were approved?

Mr. DORIA. Yes. He tells me that the joint board even approves that.

Mr. KENNEDY. I am not asking what he tells you. What do you know? Were they approved?

Mr. DORIA. I have to go on the basis that he was an authority.

Mr. KENNEDY. You were a secretary-treasurer, getting paid \$8,000 a year. Did you find out where this money was going? How it was being used?

Mr. DORIA. Yes; by virtue of checking with him, since he would be in authority to make that disbursement through the joint board.

Mr. KENNEDY. Then you were checking with the man who was buying diamond rings as to whether it was proper to buy the diamond rings?

Mr. DORIA. I was checking with him because, after all, he was the man that was the highest authority in that local union between meetings of the board.

Mr. KENNEDY. If he had been misusing union funds, you were checking with him as to whether it was proper for him to do so?

Mr. DORIA. If he was misusing union funds and any kind of an examination on my part indicated that there was a danger of misuse of union funds, I certainly would not have followed it through him. I would have made my investigation through other sources. But I knew the situation in Chicago. I knew the relationships that he held with other organizations that might assist him. To me there was nothing novel about the fact that he might give somebody a gift for assistance in organizational work.

Mr. KENNEDY. So you approved it?

Mr. DORIA. That is right. I didn't approve it. I didn't have to approve it. As a matter of fact, let me put it this way: I would have had no right to deny it.

Mr. KENNEDY. You would not?

Mr. DORIA. No; I would not.

Mr. KENNEDY. You couldn't have taken it up with anybody else?

Mr. DORIA. I could not have canceled it; no. The only thing I could have done is check it further to the point where I would have carried it to the point where I would file charges under an affidavit. If I couldn't do that, I could not deny it.

Mr. KENNEDY. Did you ever look into any of these matters? Did you ever find out whether they were being approved or any of the board knew about them?

Mr. DORIA. Yes. As a matter of fact, when I returned from the Douglas committee—

Mr. KENNEDY. I am not talking about when you returned from the Douglas committee. I am talking about the time you were getting paid \$150 a week.

Mr. DORIA. Yes; I at many times appeared before the joint board of that local union. I found definitely they were well satisfied and pleased with the activities of Inciso.

Mr. KENNEDY. Did you find out whether or not they knew about the expenditures of this money for these purposes?

Mr. DORIA. Well, the only thing I could do on that is file my report, and that is all I could do.

Mr. KENNEDY. Just answer the question.

Mr. DORIA. I couldn't check with the joint board to find out whether, on every expenditure, they knew about the expenditure.

Mr. KENNEDY. Just answer the question. Did you or did you not? Did you check?

Mr. DORIA. No; I didn't, and it was not part of the procedure; nor was it expected of me; nor was it part of my responsibility.

Mr. KENNEDY. I would like to get on with the New York situation that was set up in 1950 and 1951.

Mr. DORIA. I hope I remember all of that. I recited that story so often, I think that one of these days I will write it for Hollywood. Let us proceed.

Mr. KENNEDY. You are familiar with Local 102 of the UAW?

Mr. DORIA. Yes; I am very familiar with that, Mr. Kennedy.

Mr. KENNEDY. Could you tell the committee the circumstances under which the charter was granted to local 102?

Mr. DORIA. Yes. The charter for local 102, that caused so much turmoil in New York, was originally granted on the basis of an application that had been made by what I believed was an independent group of approximately 410 people in the State of New York, and I think within the environs of the city of New York.

The approach to the international union at that time was made by our counsel, David Previant, out of the office of Padway, Goldberg & Previant, a fellow by the name of Sam Berger, whom I had not met before but later found was an officer of a local union in the ILGWU, and a fellow by the name of Paul Dorfman, with whom I had become acquainted during the time I served as vice president of the international union and was operating in the city of Chicago, Ill.

Mr. KENNEDY. What do you mean "operating"?

Mr. DORIA. I was operating as vice president for the international union on organizational work.

Mr. KENNEDY. What was Dorfman's position?

Mr. DORIA. Dorfman was connected with another AFL union.

Mr. KENNEDY. What type of union?

Mr. DORIA. I really don't recall. I met him in the conventions and labor functions that were carried on in the city of Chicago. I think he had a Federal labor union.

Mr. KENNEDY. Federal labor union?

Mr. DORIA. In the city of Chicago, yes.

The application was made for and on behalf of the people that I mentioned. At the time the application was made, we were not prepared to go into New York for the purpose of conducting organizational work. I therefore called in Lester Washburn, since the approach had been made directly to me, and asked him whether or not he was interested in issuing this charter, and at the time it was agreed that as long as a local union has sufficient membership to be able to finance its own activities in the New York area, and if the understanding was clear that the charter would be issued on that basis, that the international union would proceed to issue the charter.

It was accepted on that basis.

Mr. KENNEDY. Who was the charter being issued to?

Mr. DORIA. The charter was issued to the names that appeared on that application. I think you people have a photostatic copy of the names that originally appeared on that charter.

Mr. KENNEDY. Somebody has to take the responsibility. Who did you look to for the responsibility for that charter?

Mr. DORIA. Well, there was no individual that ever takes the responsibility on a charter.

Mr. KENNEDY. Did you look into the background of any of the people on that charter, then?

Mr. DORIA. No; we had no means of checking background extensively. The only thing we did know was this: we certainly did not question our own general counsel, David Previant.

Mr. KENNEDY. Did you make an investigation of those who were going to have the leadership of local 102?

Mr. DORIA. No. We made no such investigation that was an investigation beyond the recommendation of the people that made the application for the charter.

Now, normally that takes place in this manner, so the committee might be aware of it:

If a charter is applied for by a director of our union, a member of the board, we naturally go along with the confidence we have in the director. If the charter is applied for and recommended by someone outside our own board, it is the relationship that we normally hold with that individual or group of individuals that determines—

Mr. KENNEDY. Who were you holding responsible for this 102?

Mr. DORIA. We were holding nobody responsible, but it was on the credit of David Previant and Paul Dorfman that I knew, and Sam Berger being a friend of theirs I accepted. I had not met Sam Berger until that.

Mr. KENNEDY. Who was going to have the leadership in the local union?

Mr. DORIA. They told us—well, the leadership of the local union, since the charter was issued as amalgamated local union would be, again, a joint board made up of representatives of each plant represented under the charter.

Mr. KENNEDY. Who did you understand was going to have the leadership to conduct the affairs of local 102?

Mr. DORIA. At that time, they told us a fellow by the name of Sam Zakman.

Mr. KENNEDY. Who are they?

Mr. DORIA. I can't recall this. It was either Dorfman or Berger. I don't think it was Previant, because Previant was not sufficiently acquainted with these people. But I believe it was either Sam Berger or Paul Dorfman that told us that a fellow by the name of Sam Zakman would be the fellow that was acting then as president of that group and would undoubtedly be president.

Mr. KENNEDY. Did you make an investigation of Sam Zakman?

Mr. DORIA. No; we made no investigation of Sam Zakman.

Mr. KENNEDY. At that time—in this period of time, was the name of Johnny Dioguardi mentioned?

Mr. DORIA. No. John Dioguardi was not known to me at all at that time or known to anybody in our international union.

Mr. KENNEDY. Did Paul Dorfman recommend Johnny Dio at that time?

Mr. DORIA. I don't think he knew Johnny Dio at that time.

Mr. KENNEDY. Did David Previant?

Mr. DORIA. I don't think David Previant knew Johnny Dio at that time.

Mr. KENNEDY. Did Dorfman ever recommend Dio?

Mr. DORIA. No, not that I recall.

Mr. KENNEDY. Did Dave Previant recommend John Dio?

Mr. DORIA. No. I don't think he met him until after I met him.

Mr. KENNEDY. Did Sam Berger ever recommend Dio?

Mr. DORIA. I don't think there was ever a recommendation of Dio.

Mr. KENNEDY. Did Sam Berger recommend Dio?

Mr. DORIA. I don't think Sam Berger recommended Dio at all. I met him in the local offices in New York, and I think I was introduced

to him by either Sam Zakman or some other official working in local 102 in New York City.

Senator MUNDT. Can you date that meeting?

Mr. DORIA. What is that?

Senator MUNDT. Can you date the meeting where you first met Johnny Dio? Not by month or day, but by year?

Mr. DORIA. All I can tell you is that it was some time prior to 1952.

Senator MUNDT. That was before charter 102 was granted, then?

Mr. DORIA. No. It was after charter 102 was granted.

Senator MUNDT. March 22, 1952, I believe, is when the charter was granted.

Mr. DORIA. As I say, I am taking a stab at this. I do know it had to be prior to the end of 1952, because, as I recall it, the taxicab organizational drive started in 1952, and Johnny Dio was a part of the taxicab organizational drive.

Senator MUNDT. Was it at that time that you met him?

Mr. DORIA. It was sometime prior to that, yes.

Mr. KENNEDY. You say that they had some 400 people that wanted to be organized?

Mr. DORIA. No, they were already organized, and my understanding at the time was that they were in some form of an independent union. As a matter of fact, I believe that the name that they operated under at the time was United Auto Workers local something, independent. Or United Auto Workers or United Auto Mechanics or something of that nature. But my understanding was they had approximately 400 people and they were looking for a charter that would give them affiliation with an international union.

Senator MUNDT. I want to correct the record. I was talking about the second charter of 102. The first charter was granted on September 18, 1950.

Mr. DORIA, when did you first learn that the first charter of 102 had been financed by Dio, the one they originally granted to Zakman?

Mr. DORIA. What is your question, again?

Senator MUNDT. When did you first learn that that charter, that that union initially was financed by Johnny Dio?

Mr. DORIA. Well, I never learned that the local union was financed by Johnny Dio. Johnny Dio may have assisted the local union, but I at no time had knowledge that Johnny Dio financed the local union.

Senator MUNDT. When did you first learn that he was in at the borning of the union?

Mr. DORIA. That he was in where?

Senator MUNDT. At the borning of the union.

Mr. DORIA. Well, when I first contacted Johnny Dio, as I stated before, I recall it being in the offices of local 102 in New York City. At that time, however, I was not dealing with Johnny Dio; I did not know him. I was dealing with Sam Zakman, as the titular head of the local union, and carried on my activities through Sam Zakman. But John Dio was introduced to me in one of those early meetings at that time.

Senator MUNDT. Under what circumstances? That is, what sort—

Mr. DORIA. That he was one of the organizers that they had acquired to work in the local union that they thought could be of assistance in the organizational development.

Senator MUNDT. They introduced him to you in his capacity as an organizer?

Mr. DORIA. As an organizer for the local union; yes.

Senator MUNDT. Did they say, "He has been with us a long time"?

Mr. DORIA. No; he had been there——

Senator MUNDT. "He is one of the grandfathers of the union; he helped finance it; that is a 'sugar daddy' that we ought to hug up close"?

Mr. DORIA. No. They didn't give those details at the time I met him. It was that he was only an organizer that was supposed to contribute substantially to the organizational activity in the local union. At that time, very frankly, I was not too much taken up by the idea, because he was not the head. I recognized him, just as I would have recognized any other organizer that they also had in that same office. He had not taken over the position of leadership at that time. So I continued to deal with Sam Zakman. As a matter of fact, even so far as the original meeting that we had with the taxi drivers in New York, the meeting was handled by me and Sam Zakman, and, I believe, another of the organizers that came out of local 102. But Johnny Dio at that time was not prominent in the activities of the local union.

Senator MUNDT. I yield.

The CHAIRMAN. Senator Goldwater?

Senator GOLDWATER. Mr. Doria, how long had you known Mr. Dioguardi when you appointed him president of local 102?

Mr. DORIA. I did not appoint Mr. Dioguardi president of local 102, but at the time that the breakup took place in local 102 with the difference between Sam Zakman and Johnny Dioguardi, we were having our convention in Cleveland, Ohio, and that must have been in 1951; November, I believe, of 1951. It was during that convention that Johnny Dio was designated by the president on the basis of Zakman's leaving the local union as the head of local 102, I believe, at the time.

Senator GOLDWATER. Did you tell one of our staff that you appointed him president?

Mr. DORIA. No; I never appointed him president.

Senator GOLDWATER. Thank you.

Mr. DORIA. I did not appoint him president. He was appointed as a result of the activity—I would have had no authority to appoint a president, to begin with, as secretary-treasurer; the constitution never gave me any such authority. Had I done it, it would have been absolutely invalid.

Senator MUNDT. In other words, you have known Mr. Dioguardi since about 1952, for 5 years?

Mr. DORIA. I have known Mr. Dioguardi since the time that I met him in that office. I think it was in 1952. I can't peg the date, but it was at the beginning of local 102.

Senator MUNDT. From that time on, until your resignation as secretary-treasurer, you have had dealings with him as a union official in one capacity or another?

Mr. DORIA. No, because Johnny Dio resigned following our—I don't remember the exact date of the resignation. I think you have some papers that indicate his exact date of resignation. But I dealt

with him during that period of time that he was associated with our international union.

Senator MUNDT. During the time that you dealt with him, Mr. Doria, did you ever hear him talk?

Mr. DORIA. Yes.

Senator MUNDT. Did he ever hear you talk?

Mr. DORIA. Yes.

Senator MUNDT. May I express the wish that, somehow or other, he absorbed half of your articulate ability. It would have been much better for the committee, I am sure, if half of your capacity had been loaned to him.

Mr. DORIA. Well, I will tell you, very frankly, I don't know how much of this you want; you stop me when you don't want it. But, as far as Johnny Dio was concerned, I don't know for what purpose he came into the movement originally, before I knew him.

Senator MUNDT. If you were going to make an educated guess, what would you think it was?

Mr. DORIA. If I had to make an educated guess?

Senator MUNDT. Yes.

Mr. DORIA. On the basis of what I know now, and it is the only opinion that I can express, Johnny Dio, I think, had become tired of the part that he played in the New York area in and about the fringe of labor and he had determined that at all costs he wanted to attempt, at least, to become an individual that could be respected in labor. I think that, if Johnny Dio had possessed a tremendous fortune, he would have gladly given it up for that kind of a title and to be so recognized. I told him at the time he came in——

Senator MUNDT. You got the concept he was at the wrong end of the formula——

Mr. DORIA. No; I sincerely cannot say that. I would absolutely be doing an injustice to him if I told you anything other than his own words to me after about 6 months of associating with me, "Doria, you are making me a real labor square."

Senator MUNDT. That implies that he had not been a real "labor square" sometime at an earlier time; is that right?

Mr. DORIA. It implies this: that the concept of the average individual in labor, that has not been in labor, is that you have to kill about 3 people in the morning for breakfast, 2 of them for lunch, and maybe about dozen at night for supper, which is so ridiculous and completely discordant with the facts that it shouldn't even be discussed. But a lot of people that get inside the labor movement, and become actually imbued with the spirit of doing something within it to make it grow, as I think Johnny Dio ultimately did——

Senator MUNDT. To put it quickly and in brief summation, you are trying to tell me that you think Mr. Dio made a good, constructive contribution to the labor movement?

Mr. DORIA. Dio never had a chance to do it.

Senator MUNDT. Why not?

Mr. DORIA. Because, as I told him when he came into the movement, and he came to me and told me about his background, I told him, I says, "Johnny, you have to understand one thing. The first organization drive that we get into that becomes difficult, you are

going to be attacked on, regardless of what you may have done when you were 2 years old.

"Unless you and your family are prepared to take the brunt of the smear and mud that will be thrown at you the first time you enter into a drive of that kind, don't get into it."

Senator MUNDT. That does not quite answer the question as to whether you are trying to tell me that Mr. Dio made a good, constructive contribution to the labor movement.

Mr. DORIA. I answered that question. He couldn't have. He wanted to, but he couldn't have. He didn't get a chance to.

Senator MUNDT. Would you say that he was an innocent victim of a smear?

Mr. DORIA. I would say that, if society had treated Johnny Dio right and if society had acted in the manner in which it gives a lot of lipservice to the rehabilitation of an individual, rather than condemn him and convict him at every move, Johnny Dio would have had, in my opinion, the opportunity of becoming an outstanding leader in labor.

Senator MUNDT. Do you think he treated society right?

Mr. DORIA. I said that Johnny Dio in his youth may have made the mistakes that a lot of people have made. But I don't believe that the mere fact that he made that mistake should stand as a permanent conviction and put him in the category of a second-class citizen for the rest of his life. I don't believe that about anybody.

Senator MUNDT. We agree on that; neither do I. I would like to have you detail what you think society did, that was wrong, that denied Mr. Dio this opportunity to live straight.

Mr. DORIA. I think what society does, not only with respect to Dio—

Senator MUNDT. No, no. I am not interested in a great philosophical discussion of society in general. I am interested somewhat in Dio, in Doria, and this particular problem. Just what did society do, vis-a-vis Dio, to deny him the opportunity you had given him, apparently, to go straight?

Mr. DORIA. The thing that society did that was wrong is that it tried to pass judgment upon Dio, not upon the basis of what he was doing and on the basis of what he did as a member of his union. And, if you look at your own record, you will find that there is not one conviction to this date against Dio for any activity that he performed while he was a member of this union. The thing they did wrong was continually judge him on the basis of a past that he had already paid for, instead of giving him the opportunity, which I think any citizen deserves in this country, to rehabilitate himself, and that is what I was trying to do for Dio. I would do it again if I had the opportunity to repeat it.

Senator MUNDT. That brings us right down to one of Dio's specific activities in the labor movement, his Equitable Associates organization.

Mr. DORIA. That was after he was in our organization. That may have been the result of his frustration in not having attained the position that he sought. That had nothing to do with his activities in the union. Those were extracurricular activities beyond the date that he was associated with our union.

Senator MUNDT. Do you think it is true that society put him into that one, too?

Mr. DORIA. Well, I think that, if an individual would have done what Dio did, to obtain good, clean recognition in the movement, and had been removed in the manner that he was removed, a lot of people that did not have the resistance mentally that I know Dio had would have gone farther astray than Dio has. That is my honest opinion.

Senator MUNDT. We will develop a little more detail on that later in the hearings.

Senator IVES. Mr. Chairman?

The CHAIRMAN. Senator Ives?

Senator IVES. I would like to ask Mr. Doria a question, in the light of what he has been saying.

Mr. DORIA. Do you think persons with criminal records should hold official positions in labor organizations?

Mr. DORIA. Well, let me answer that question in this manner: A man that has had a criminal record and has paid his penalty is either an equal citizen with everybody else or he is not. If he is not, I think the Congress of this country ought to say that, once you have been convicted, you're a second-class citizen, you are automatically disbarred from certain rights of citizenship.

Senator IVES. I heard you on all of that, Mr. Doria. The fact remains, however, that we may be faced with an amendment to the laws, one of these days, in which that matter may be before us.

Mr. DORIA. If the people that have made mistakes and have been convicted are going to be denied certain rights for the rest of their lives, and that becomes the law, I tell you, very frankly, I would prefer that it be that way, if that is the way they are going to be treated, so that other people will, in their association with them, know how to conduct themselves, than to have it as it is today, and after you do what society gives lipservice to in trying to help these people, you are criticized for the association today.

Senator IVES. It is a very peculiar thing, Mr. Doria. We run into quite a number of situations where those who have had criminal records and subsequently have become officials in labor organizations have proceeded to follow their criminal activities as members of labor organizations.

How do you account for that if all these people are so pure after they have paid their penalty?

Mr. DORIA. There is no one making any claim for purity. Nor am I making any brief for the fact that the labor representatives ought to be chosen from the criminal element. I am not saying that. I abhor criminality and racketeering in labor as much as anybody does, and I don't condone it.

I don't want anything I say as meaning that I condone that. I am merely saying what can we do——

Senator IVES. Do you mean to reform the criminal element by putting them in positions in labor organizations, positions of responsibility?

Mr. DORIA. They are in industry, today, and many have succeeded.

Senator IVES. They are what?

Mr. DORIA. Many people who have had criminal records are in industry today and are very successful.

Senator IVES. I am not talking about that. I am talking about officials in labor organizations.

Mr. DORIA. What difference does it make?

Senator IVES. It makes all the difference in the world. I am not talking about industry. I am talking about labor. I do not think they should be in industry, as far as that is concerned.

We are not talking about laws for industry. We are talking about laws for labor, such as in the Taft-Hartley Act. That is what I am talking about.

Mr. DORIA. If you are laying down laws for labor, the participation in labor, which is one of the free institutions in this country, I think becomes available to any citizen that is free enough to participate. Now, if there is going to be—

Senator IVES. Let me get something straight with you on the Taft-Hartley Act.

The Taft-Hartley Act's primary purpose was to protect the workers against their bosses in labor.

Mr. DORIA. Well, I will tell you—

Senator IVES. The Wagner Act was to protect the workers against their bosses in industry. We have an obligation here where the Taft-Hartley Act is concerned.

Mr. DORIA. Well, I will tell you very frankly that with respect to protecting the employees from their bosses in labor and let's stay on that subject for a moment, if you will, that I think that any free society that attempts to take the control out of the people who can determine who the leaders ought to be, under the guise that they are going to protect them and liberate them, to me sounds too much like what Hitler did to the countries that he tried to liberate and protect.

Senator IVES. All right, but under the type of society you are talking about, we have had this racketeering occur.

Mr. DORIA. There are sufficient laws to cope with any rackets.

Senator IVES. Wait a moment. If this society is so free and so able to take care of itself as you maintain, then we would not be having racketeering in labor. But we are having it.

Mr. DORIA. No. The thing is that if the laws that exist with respect to racketeering were enforced, I maintain that you have got more than all the adequate laws that you need to eradicate racketeering from any organization, not only labor.

I don't think labor needs any special laws to eradicate racketeering from labor or communism or any other "ism" or any other "eering."

Senator IVES. That is not our experience.

Senator MUNDT. Do I understand from that that you think it was incorrect for the Taft-Hartley Act to deny Communists the right to be in labor offices?

Mr. DORIA. I don't know whether it was a mistake or not. I think the history will show that. I fought communism and my office in Milwaukee was known as the strongest bulwark against the successful infiltration of communism in the labor movement. I just want to give you my background.

Senator MUNDT. I am not accusing you of being sympathetic to communism.

Mr. DORIA. Let us not get into that area.

Senator MUNDT. I thought you said you thought it was a mistake to include in the Taft-Hartley bill that any labor union with Communist officials could not negotiate with the National Labor Relations Board.

I think it was a mistake not to make the law applicable to industry and labor both, but I certainly think it was a good half-way step to give them that kind of protection.

(At this point, Senator Ives withdrew from the hearing room.)

Mr. DORIA. Gentlemen, when you can legislate to make people change their way of thinking, I would like to be the first one to be apprised of how that is accomplished.

Senator MUNDT. We are not trying to do that. But we are trying to legislate to change their way of action.

Mr. DORIA. All you are doing is changing their way of going underground, is all you are doing, by that kind of legislation. You are not eradicating. They are merely going to be there without being seen, which I think is a bigger danger than the one that existed before.

Under the previous act, when there was no such provision, you could spot the Communists in the labor movement and if you were capable of taking care of them, you eliminated them.

But today, you may not even be able to see them under this present legislation. It was a mistake. It should never have been. It should not apply to industry because I think it will be equally ineffective with respect to industry.

I think when people are going along on a wrong trend of thought, such as communism, that the sooner the general public knows about it and the sooner they are exposed, the more in a position the society is going to be to take care of the conditions that are breeding them.

You are not going to do it by driving them underground.

Senator MUNDT. We have exposed a lot of them, and a lot of them who have been exposed have been kicked out of labor positions by good, honest, patriotic labor chiefs.

Mr. DORIA. And what knowledge do we have since they have that said experience with respect to their objectives that they might not have been replaced with a smarter one that will not disclose themselves?

The CHAIRMAN. Senator Curtis?

Senator CURTIS. I want to ask this question: Was there any labor racketeering in New York under Johnny Dio?

Mr. DORIA. Well, what do you mean by labor racketeering? I will give you a couple of instances where I personally removed individuals because I did not like their practices. You can call it racketeering.

I think that you have a charter where it indicates that during the administration of Johnny Dio, four people were eliminated from the representative positions with respect to the locals in New York.

I eliminated those people. I eliminated them on the basis of charges, that there was collusion between them and employers, on the basis of accusations that had been made that they were shaking down employers, and I eliminated them within 48 hours of the act.

But what I want to bring to this committee, since I am before it and I have had my share of the smear in this matter, is that every time that I was successful in eliminating someone that was undesirable,

instead of being associated in the press with the correction of an act, I was associated with the wrongdoing, rather than the correction of it that I had accomplished.

Senator CURTIS. Now, I have heard you. I wish you would answer my question. Was there racketeering in labor circles under Johnny Dio in New York?

Mr. DORIA. I can't testify to that because I don't have the facts that would permit me to.

Senator CURTIS. You have expressed your confidence in him. You have expressed your confidence in him at the time you resigned.

You have defended him all the way through here. Now, I want to know this: Was he engaged in racketeering practices in the labor movement in New York?

Mr. DORIA. Johnny Dio engaged in racketeering practices in New York while he was with our union? I positively have not the first iota of knowledge of that. To my knowledge, no. Johnny Dio was not interested in anything other than the building of a union.

Senator CURTIS. That includes the time that he withdrew as an officer, but was still influencing the union?

Mr. DORIA. I don't know to what extent he exercised influence after he withdrew, because once Johnny Dio withdrew and the taxicab union was eliminated, and we were asked by the AFL to give up the taxi union, my interest in New York practically ceased, and I was active very little in New York after that.

Senator CURTIS. So you want to stand on the record that he was not engaged in labor racketeering?

Mr. DORIA. To my knowledge, I know of not one single act that I would characterize as racketeering in labor that I knew, of Johnny Dio; not one single act. I was never aware of any act that involved Johnny Dio in any capacity with the union that even approached what might be considered racketeering.

Senator CURTIS. You knew he surrounded himself with racketeers and hoodlums.

Mr. DORIA. No one criticized him more than I did for the people he surrounded himself with.

Senator CURTIS. You know since then that a number of them have been down here and have refused to testify on the grounds that it might incriminate themselves.

Mr. DORIA. Yes, I have read all about that.

Senator CURTIS. You have read about the blinding of Victor Riesel?

Mr. DORIA. Yes; I introduced Johnny Dio and Victor Riesel.

Senator CURTIS. You know about Dio's charge in connection with that?

Mr. DORIA. I have read about it; yes, and I have talked to him about it.

Senator CURTIS. You have talked to who?

Mr. DORIA. To John Dio.

Senator CURTIS. What does he say?

Mr. DORIA. He says it is absolutely a farce. He is not involved. He is not implicated.

Senator CURTIS. What else did he say?

Mr. DORIA. I don't know. There was a lot of general discussion. I can't recall it.

Senator CURTIS. Where was this conversation?

Mr. DORIA. I appeared before the grand jury in New York a couple of weeks ago or months, I don't recall the time, and at that time I saw John Dio and discussed the matter with him.

Senator CURTIS. At the grand jury?

Mr. DORIA. I mean I appeared before the grand jury in New York and while I was in New York I saw John Dio.

Senator CURTIS. Where did you see him?

Mr. DORIA. I saw him at his home.

Senator CURTIS. At his home?

Mr. DORIA. Yes.

Senator CURTIS. Where is his home?

Mr. DORIA. I think it is on Long Island. I don't know. I usually get a cab.

Senator CURTIS. Who else was out there?

Mr. DORIA. Just he and I at the time. His family was in the house.

Senator CURTIS. And he had nothing to do with the charges?

Mr. DORIA. That is his position.

Senator CURTIS. Did he tell you who was responsible?

Mr. DORIA. If he knew who was responsible he undoubtedly would have told me, or maybe he wouldn't have told me. I don't know. We didn't discuss who was responsible.

Senator CURTIS. What did he say about the witnesses?

Mr. DORIA. Which witnesses?

Senator CURTIS. The witnesses for the prosecution.

Mr. DORIA. He told me with respect to the witnesses for the prosecution he wasn't concerned about the witnesses, because how could they implicate him on anything that he had not done.

Senator CURTIS. But they did; didn't they?

Mr. DORIA. Not that I know of.

Senator CURTIS. Well, on the basis of their testimony, the indictment was brought; wasn't it?

Mr. DORIA. Well, if the indictment was brought on the basis of their testimony, I assume the indictment would proceed to a successful conclusion with a conviction if their testimony was good.

Senator CURTIS. Apparently they wouldn't talk now.

Mr. DORIA. Let me state to you that I personally have been interviewed on the Riesel situation not less than four times by representatives of the Federal Bureau of Investigation, by virtue of the fact that I know John Dio. If I had to pass my own judgment or form my conclusion on the basis of the questions asked me, to me it is quite evident that there is no evidence against John Dio.

Senator CURTIS. Well, you are still defending him.

That is all.

The CHAIRMAN. Senator Goldwater?

Senator GOLDWATER. Mr. Doria, getting back to your interest in communism in the labor movement, it has been testified to here that the UAW-CIO used quite a number of Communists in their original organizational efforts back in the middle 1930's. The inference has often been made that they have not been too successful in completely ridding themselves of these people.

In view of the fact that the Internal Security Subcommittee has turned up, I believe, 12 or 13 Communists in that organization, and a

similar number in the Electrical Workers Union of the CIO, in view of the fact that we have accidentally stumbled on 1 admitted Communist here, and, I believe, found 1 other who refused to answer the \$64 question, do you think that that particular part of the labor movement has successfully cleansed themselves of Communists?

Mr. DORIA. I don't know. I don't know. I frankly would be giving you wrong information if I tried to take a positive position. I do know the era in which you speak about, the 1930's. I was engaged in a very strong fight with the Communist element in the movement. At that time there was no question that the very strong attempt to infiltrate the movement was being made. We carried on that fight, and that is what resulted in the split that created the two UAW organizations.

Senator GOLDWATER. Was that one of the fundamental reasons why there are two UAW's today?

Mr. DORIA. Yes. The fundamental reason why there are two UAW's was the fight over communism which we did not want to accept in our organization. And we split at the time by virtue of the fact that we could not write a contract that meant anything because, as you know, communism thrives only on disruption and dissatisfaction. So the procedure at that time was, for example, to go out and ask for \$1 an hour, at the time a contract had to be negotiated. Everyone knew you couldn't get it. But it did this, that even though you made a reasonable settlement, the Communists could use that by going back and say, "See, they didn't give you the dollar; your bosses are no good," and create the class conflict that I think we will either work out one of these days or destroy this entire Nation.

Senator GOLDWATER. You have had responsible positions in labor, probably from the locals, and probably the international. Would you say that a leader of labor, whether it be a local organization, a State organization, or an international organization, would know if he had Communists working in his organization?

Mr. DORIA. I think that a good, competent, qualified leader will spot a Communist the minute he gets up to make the first motion on the floor of their local union.

Senator GOLDWATER. There have been a lot of them missed, evidently, because we are turning up more and more of them as the Internal Security Committee works in that field, in that particular branch of labor.

Mr. DORIA. They are not necessarily missed, Senator. It is a case where a lot of people that have come into the movement today, that did not have the advantage of the fights that went on when the infiltration attempt was really being made and made in a strong fashion, don't have the——

Senator GOLDWATER. Let me ask you right there, this question: Do you agree with the witnesses who testified, and partly with Mr. Washburn, do you agree with him, that they were successful in infiltrating the CIO element of the UAW?

Mr. DORIA. I do believe that in many local unions—you can't make the statement with respect to all people. For example, there were areas where they were more successful than they were in other areas. But generally there was no question in our minds at that time that they had succeeded in taking over certain local areas and certain local

unions, and that their policies were the dominant policies of the organization that they had been successful in infiltrating and controlling.

Senator GOLDWATER. Were those areas generally in Michigan?

Mr. DORIA. Well, Michigan had a very strong influence, yes. They had a partial influence in Wisconsin at that time. They had an influence in Ohio. I don't know how strong it was in Illinois. I don't think Illinois had too strong an influence at the time, outside of possibly the immediate Chicago area. But there was an influence, and we were fighting it all the time, and that resulted in the split.

Senator GOLDWATER. That is all, Mr. Chairman.

The CHAIRMAN. Mr. Kennedy?

Mr. KENNEDY. Now we are coming back to when Dio first came into the labor-union movement. You say that Dio was not originally in local 102?

Mr. DORIA. No. Dio came into the labor movement, as far as our international was concerned, through local 102.

Mr. KENNEDY. And at that time, you say that he was not recommended by Paul Dorfman or anybody from the local?

Mr. DORIA. No; Dio was not a part—

Mr. KENNEDY. Just answer the question.

Mr. DORIA. No; he was not. I want to get one thing clear. He was not a part of the creation of local 102.

Mr. KENNEDY. You did not make any investigation at that time?

Mr. DORIA. What time?

Mr. KENNEDY. When he came into the labor-union movement.

Mr. DORIA. No. Dio came to me and told me about his background.

Mr. KENNEDY. Did you make any investigation of him?

Mr. DORIA. No.

Mr. KENNEDY. I would like to, Mr. Doria, in view of your testimony here, read excerpts from minutes of hearing dated February 13, 1952, in connection with Gertrude Bertorelli and Frank Bertorelli, which is directly contradictory to the testimony you have given.

Mr. DORIA. Who are they?

Mr. KENNEDY. You testified, and you testified under oath. It is in the United Automobile Workers Local 102, Room 1134, 250 West 57th Street, New York, N. Y., February 13, 1952.

You testified before a group, before a trial examiner, under oath. You were asked this question on page 525:

Question. Mr. Doria, bringing you down to local 102, are you familiar with the circumstances under which it was affiliated with the international?

Answer. Yes, I issued the charter to local 102 personally. Local 102 was chartered by our organization on the basis of recommendations that we received from friends that we have operating in the American Federation of Labor, through the Federal labor unions, as one example. Those are direct affiliates of the American Federation of Labor and upon the recommendation of people coming from the Federal labor union that we are in close contact with, it was recommended that a charter to cover the New York area be issued.

There was an application on that charter that included about 16 people which of course are listed on the charter and I would not remember all their names.

The charter was issued as a result of an application and the people coming into our office to make the application for the charter and upon investigation that we conducted through members of the Federal labor unions in the American Federation of Labor, we finally issued the charter and established the jurisdiction for that charter here in the metropolitan area.

Question. And your investigations include an investigation of the applicants?

Answer. Yes. Our investigation naturally included an investigation of the

individuals that would be more involved in the actual leadership of the union. Among them was Johnny Dioguardi, as his name is, and he was investigated by our union and we found in the investigation although there had been some reference to a past record, that his conduct since the time he had paid his debt to society had been fine. We could not, being cognizant of the fact that we recognized that it could be used from the standpoint of organization work from time to time, not take note of that. We felt that he was clean prior to our issuing the charter to him and others that applied for that charter, and we issued it to him.

Since issuing that charter, I have been investigating this local and have been concerned with supervising its activities by virtue of the type of information that has been disseminated through the newspapers in the city. We have probably made a more careful investigation of the operation of this union simply because of that and of our general interest, and our international union has never had any such issue. We have found, as a result of the investigation, which I personally conducted, I conducted here in New York having been in New York approximately five times since the charter was issued for that purpose, the result being that we found everything as it should be.

Then you go on and discuss the finances.

Then you state on page 535, discussing who you were investigating :

Question. Who were the people who had the important positions and who were those thoroughly investigated by you?

Answer. Primarily, by virtue of the type of information we got, the heaviest investigation was conducted with Johnny Dioguardi.

Question. Who else?

Answer. Then there were approximately 15 other members that we merely checked from the standpoint of names and what their previous associations had been with the union and nothing too important came out of that for the reason that we finally resolved that we charged the responsibility of running the local to one individual and we found that the most capable of the group was John Dioguardi and he seemed to be most qualified and therefore under him we felt we could remove anyone else.

Then on the question of Mr. Dio being in from the beginning, at page 537:

Question. Was Zakman one of the original members; one of the original charter members?

Answer. Yes; he was.

Question. Did you make an investigation of Mr. Zakman?

Answer. Yes; but the investigation however did not disclose all the information we wanted by virtue of the fact we looked every place except one. That came out later.

Question. Did the Federal labor unions recommend Mr. Zakman?

Answer. The Federal labor unions did not recommend Mr. Zakman.

Question. Did the Federal labor unions recommend Mr. Dio?

Answer. Yes.

Mr. DORIA. What was the answer again?

Mr. KENNEDY. The answer was "Yes."

Mr. DORIA. The Federal labor unions?

Mr. KENNEDY. Yes. That is it.

Mr. DORIA. No; but here, the first thing is you are now talking of at least a second or third issuance of the charter.

Mr. KENNEDY. No; it is before the third issue, Mr. Doria. It was prior to the third issue. You were in there to explain the issuance of how this charter came into being.

Mr. DORIA. Mr. Kennedy, I have testified repeatedly and will testify again, and I refer you to your records, Dio was never a part of the first charter in 102.

Mr. KENNEDY. That is certainly not what you said here in 1952.

Mr. DORIA. That testimony refers to the second charter under taxicabs.

Mr. KENNEDY. If that is true——

Mr. DORIA. That is not the first charter.

Mr. KENNEDY. Mr. Doria, the second charter wasn't on taxicabs.

(At this point, Senator Goldwater withdrew from the hearing room.)

Mr. DORIA. I know the second charter was not on taxicabs.

Mr. KENNEDY. This did not have anything to do with the charter on taxicabs.

Mr. DORIA. Let me give you the routine again, because I ran into the same question before the grand jury in New York; the same identical question.

Mr. KENNEDY. Mr. Doria, this was before the charter was issued on the taxicabs.

Mr. DORIA. That is right; and I ran into identically the same question.

Is that the transcript before the New York State board? If you will refer to the testimony before the grand jury——

Mr. KENNEDY. No; this is under oath.

Mr. DORIA. I want to correct this whole implication here. You will find that the same question was asked of me, Mr. Kennedy.

Mr. KENNEDY. Mr. Doria, I am not interested in what you said before the grand jury. I am interested in what you said under oath before this board, and what you say under oath before this committee.

Mr. DORIA. If you will go back in those same minutes, Mr. Kennedy——

The CHAIRMAN. Just a moment. The Chair wants to put this in the proper perspective, so there is no question about what we are talking about.

This is titled, "The State of New York, before the State labor relations board, in the matter of Gertrude Bertorelli and Frank Bertorelli, and United Automobile Workers, Local 102, AFL, case No. 20809."

This is entitled "Excerpts from minutes of hearing, February 13, 1952, before Lyell Grewer and James L. Denike, official reporters, New York State Labor Relations Board."

This transcript, this testimony that has been read to you, according to this transcript, was given on that date, February 13, 1952.

So, get your bearings with respect to time as you testify.

Mr. DORIA. Yes. Now, that testimony pertained to a taxicab organization. The thing that I want to clear up——

Mr. KENNEDY. Let me ask you this, in connection with that: Was a charter granted on that local on the recommendation of Paul Dorfman and the Federal labor unions?

Mr. DORIA. No; not that.

Mr. KENNEDY. Why did you tell this trial examiner before whom you appeared that this charter had been granted on the recommendation of Paul Dorfman?

Mr. DORIA. The charter of local 102 was, but, again, I want to remind you, and I have given you this in photostats, 102 was originally issued industrially.

Mr. KENNEDY. I know all that——

Mr. DORIA. That was issued to one set of people. If you will just refer to the photostats, you will find this. John Dioguardi was not in the original issue of the charter.

Mr. KENNEDY. I understand that.

Mr. DORIA. I do believe, and I don't have these records before me, but if you give me the photostats I can give it to you, that Johnny Dio did appear on the second charter of 102.

Mr. KENNEDY. That is correct.

Mr. DORIA. That is right. Now, when the taxicab organization started, Mr. Kennedy, it was originally started under the industrial charter of local 102. This case came up before the New York State board, apparently, after the second charter had been issued, but prior to the time that the taxi charter had been issued.

Mr. KENNEDY. That is interesting.

Mr. DORIA. That is right. The references that are made there are a reference to both the original charter as well as to the subsequent charter in 102, again prior, however, to the time that the taxi charter was issued, because that was not issued until 649 was issued, and the industrial turned over to 649.

Mr. KENNEDY. That is all very interesting, but it doesn't answer any question at all.

Mr. DORIA. I know, but those are the facts, regardless of the question that it might answer.

Mr. KENNEDY. That has nothing to do with answering this.

Mr. DORIA. I did answer that question.

Mr. KENNEDY. That is a very interesting discussion, but you didn't answer the question.

Mr. DORIA. I am answering the question, because I am stating to you now, as I stated a moment ago, that my references there cover two situations. They cover the original issuance of 102, the subsequent issue after—I don't know whether Zakman left there or not, but when John Dio got out of the charter, and a new grouping of names was entered on the charter, and that testimony covers both. Now, before the State board—

Mr. KENNEDY. Mr. Doria, just answer that question. Why did you say that this charter had been issued on the recommendation of the Federal labor union?

Mr. DORIA. Because—

Mr. KENNEDY. Wait a minute. Then you were asked whether that was a recommendation of Sam Zakman, and you said no; was it a recommendation of the Federal labor unions of Johnny Dio, and you said yes.

Mr. DORIA. Not the Federal labor unions of Johnny Dio.

Mr. KENNEDY. I just read your testimony, Mr. Doria.

Mr. DORIA. For 102, yes. Don't forget, you are still talking about 102.

Mr. KENNEDY. I know.

Mr. DORIA. You are talking about a reissue of 102. When you say the charter issued, 102 was originally issued on the recommendation of Paul Dorfman and Sam Berger. Paul Dorfman is a reference to the Federal labor unions in Chicago.

Mr. KENNEDY. You say in there that Dorfman recommended John Dio?

Mr. DORIA. No; I don't say that.

Mr. KENNEDY. Do you say the Federal labor unions recommended John Dio?

Mr. DORIA. No; I don't say that.

Mr. KENNEDY. I will read it to you.

Mr. DORIA. Let's take them one at a time and separate them.

Mr. KENNEDY. I know you want to get the facts, the truth. Let me read this to you:

Did the Federal labor unions recommend Mr. Zakman?

Answer. The Federal labor unions did not recommend Mr. Zakman.

Did the Federal labor unions recommend Mr. Dio?

Answer. Yes.

Mr. DORIA. That is in reverse. If the testimony is that way, it is in reverse.

Mr. KENNEDY. It is in reverse?

Mr. DORIA. Sure, for this reason, Mr. Kennedy: Zakman was the man who was the officer of the independent group when Paul Dorfman came in to demand the charter. It could not have recommended Dio, because Dio was not in the picture. I did not know Dio.

Mr. KENNEDY. Zakman didn't know Dorfman?

Mr. DORIA. I don't know about that or not. But I say that Zakman, regardless of whether Dorfman knew him or not, knew Berger. Berger came in with Dorfman. When I speak of the recommendation, Mr. Kennedy, I am speaking of the recommendation for the issuance of the charter. Dio was not in the picture.

Mr. KENNEDY. You say that this testimony that you gave before the labor board is incorrect?

Mr. DORIA. No; there is either one or two things—I can't recall it.

Mr. KENNEDY. Is it incorrect?

Mr. DORIA. I can't say that, either.

Mr. KENNEDY. Is this correct?

The Federal labor unions recommended Mr. Dio.

Did they or did they not?

Mr. DORIA. Later on, I did get a recommendation. That is why, if I can tell the story, I can give this to you. Later on, John Dio was known by Paul Dorfman when we were in taxicabs. This was a taxicab situation. Dorfman did tell me Dio was O. K.

Mr. KENNEDY. That is not the taxicab situation.

Mr. DORIA. What are the two names involved in that case, Mr. Kennedy?

Mr. KENNEDY. This is prior to the third charter.

Mr. DORIA. Wait a minute. What are the two names involved?

Mr. KENNEDY. Bertarelli.

Mr. DORIA. Bertarelli is a taxicab driver.

Mr. KENNEDY. I know it is connected with taxicab drivers, but it is not connected with the taxicab unions.

Mr. DORIA. Yes; it is connected.

Mr. KENNEDY. Not the third charter you granted.

Mr. DORIA. Mr. Kennedy, the third charter was only granted, and I will state this again, and I think you have this many, many times, when the taxicab organization became sufficiently large that we did not want the taxicab organization mixed up with the industrial organization. We then issued charter 649 to put in the industrial organization although the taxicab drive had been continuing for some

time, and then we issued the charter to 102 exclusively for taxicabs, and that was prior to this instance.

Mr. KENNEDY. That is, again, very interesting, but it has nothing to do with it.

Mr. DORIA. But that is the real case.

Mr. KENNEDY. It is not the real case, because that took place 2 months after this. You say in here that the Federal labor unions recommended Johnny Dio.

Mr. DORIA. They did, at the time the taxicab drive was going on. I am trying to keep my story straight. The issuance of the charter did not involve Dio. Dio was not known to me or to anybody in the union. The taxicab drive started after Dio came into the local union. Dio then becomes in a position of leadership. Dio then is recommended by everybody that I met in the AFL.

Mr. KENNEDY. Mr. Doria, you testified here that you made no investigation of Mr. Dio, and that he wasn't recommended——

Mr. DORIA. No; let us get our terms straight.

Mr. KENNEDY. Just a minute. You said you made no investigation of him, and he wasn't recommended by Mr. Dorfman. Before their board, you said, in connection with this whole matter, there was nobody who was more thoroughly investigated than Mr. Dio, and then you go on to say he was recommended by Mr. Dorfman.

Mr. DORIA. Let us get our time straight, because, if we are speaking of one time, one testimony applies.

Mr. KENNEDY. You don't separate. The question is:

Mr. Doria, bringing you down to local 102, are you familiar with the circumstances under which it was affiliated?

Mr. DORIA. But that was a case before the National Labor Relations Board of the State of New York, and that covered both situations, Mr. Kennedy. I am trying to bring that out. What I am trying to do is follow chronologically the issuance of charter 102.

Mr. KENNEDY. Your testimony now is that Dio became affiliated with local 102, the second charter, based on the recommendation of Paul Dorfman?

Mr. DORIA. No. His recommendation as a man in the union was not for the purpose of the charter. Dio was already in there when he became an individual whose name was listed on the charter.

Mr. KENNEDY. Why did you say that in this testimony?

Mr. DORIA. Because, if the recommendation had anything to do with the recommendation with respect to Dio's ability but not for the purpose of putting him on the charter, because Dio was already in the organization at that time, Dio would not have required any recommendation to be on the charter. That would have been merely the action of that local union. Dio was already in the organization at that time.

Mr. KENNEDY. I understand.

Mr. DORIA. So, no recommendation would be needed to put him on the charter.

Mr. KENNEDY. That is what I don't understand.

Mr. DORIA. I don't understand what you are driving at. The whole situation is impossible. It doesn't follow.

The CHAIRMAN. At the time you gave this testimony, the third charter had not been granted?

Mr. DORIA. No.

The CHAIRMAN. The first and second had?

Mr. DORIA. Apparently, because if Dio——

The CHAIRMAN. Not apparently. One of them was the 18th of September 1950, the first one; the next one was the 23d of April 1951.

Mr. DORIA. All it takes to settle that is——

The CHAIRMAN. This transcript is of what date?

Mr. KENNEDY. February 1952.

Mr. DORIA. What date do you have on the issuance of the first charter?

The CHAIRMAN. September 18, 1950——

Mr. DORIA. What is the date of the testimony?

The CHAIRMAN. The first one is September 18, 1950. The second was issued April 23, 1951, and the date of the testimony is in February 1952.

Mr. DORIA. Therefore, the first two charters were issued.

The CHAIRMAN. Yes; they were issued. That is what you are talking about, then, because the third one had not been issued.

Mr. DORIA. That is right. Everything applied to the first two charters. Originally, however, you people were talking to me about the issuance of local charter 102.

Mr. KENNEDY. That is what the question is here, Mr. Doria. You never bring out the fact there are two charters.

Mr. DORIA. No, Mr. Kennedy.

Mr. KENNEDY. No place in this transcript do you mention there are two charters.

Mr. DORIA. I know, we don't, because it was not in issue.

Mr. KENNEDY. They ask you:

Mr. Doria, bringing you down to local 102, are you familiar with the circumstances under which it was affiliated with the international?

Then you go on to explain.

You explain Dio came in on it, Zakman came in on it, it was recommended by the Federal labor unions, and Zakman wasn't recommended by the Federal labor unions but Dio was recommended by the Federal labor unions. That is how you explain this drive got started, which is entirely contrary to how you testify here.

Mr. DORIA. No, it isn't. Can I go through it once more?

Mr. KENNEDY. Don't take me on a trip that has nothing to do with it.

Mr. DORIA. Can I go through it briefly?

Mr. KENNEDY. Just answer the questions about this.

Mr. DORIA. All you want is what happened; is that right?

Mr. KENNEDY. What happened on this.

Mr. DORIA. In 1950, we had a charter issued and Johnny Dio is not known.

Mr. KENNEDY. Not mentioned?

Mr. DORIA. Not mentioned, not known to anybody. Between 1950 and August 23, 1951, Dio comes into the local union. Dio operates in the local union and assumes a position of leadership. In August 1951, the second charter was issued. Dio, I think, appears on the second charter that was issued to 102. In between that——

Mr. KENNEDY. Was he recommended by the Federal labor unions?

Mr. DORIA. Let me give you this——

Mr. KENNEDY. Just tell me this.

Mr. DORIA. If you are going to stop me in between telling these stories——

Mr. KENNEDY. Telling these stories is right.

Mr. DORIA. He was recommended by a lot of people in the AFL, once he became active. But he was not recommended for the purpose of appearing on the charter.

The CHAIRMAN. Let me ask you a question.

You did know Johnny Dio when the second charter was issued?

Mr. DORIA. Yes.

The CHAIRMAN. You testified awhile ago you never met him until 1952.

Mr. DORIA. No, I did not.

The CHAIRMAN. Yes, you did.

Mr. DORIA. I told him that I met Johnny Dio in the offices of local——

The CHAIRMAN. You repeated it, sir. You said you never met him until some time in 1952.

Mr. DORIA. I said the taxicab organization——

The CHAIRMAN. Nobody mentioned that.

Mr. DORIA. Will you read my testimony, Senator? You will find no positive statement that I met him in 1952.

Senator MUNDT. I think you will. I asked the question about it.

Mr. DORIA. What purpose is there in me trying to fool you as to when I met Dio, if I can keep my dates straight on this whole situation? I am testifying from memory here and without the advantage of the records. But I met Dio as I stated 10 times, I think, already, in the offices of local 102 after the original charter had been issued, prior to the time that the second charter was issued.

The CHAIRMAN. That is not what you testified. You testified that it was in 1952.

Mr. DORIA. How in the world could I not meet Dio prior to the time that his name appeared on the charter when he was already active in the local union.

The CHAIRMAN. If you answer a question or two, we may help you.

Mr. DORIA. I appreciate that.

The CHAIRMAN. You are not helping the committee much with this rambling.

Mr. DORIA. You go ahead, Senator. I want to get it straight as much as you do.

The CHAIRMAN. I will give it to you straight. The first charter was issued September 18, 1950. On April 23, 1951, a second charter was issued to local 102, and the original charter was canceled. Now, did you know Dio before the second charter was issued? Did you personally know him?

Mr. DORIA. Yes.

The CHAIRMAN. That is not according to your testimony of awhile ago?

Mr. DORIA. Then we are getting mixed up on the dates so I cannot testify to them. But I certainly had to know him.

The CHAIRMAN. All right. Then the third charter was not issued until when?

Mr. DORIA. It was not issued until the same date when charter 649 was mentioned and I don't know the date.

The CHAIRMAN. That was some 2 months after your testimony here before this board. So you could not have been talking about the third charter at that time because it had not been issued.

Mr. DORIA. If that testimony before the board, Senator McClellan, is after the issuance of the charter of 649 I was then talking about the three charters because I was talking about 102. It has to be, because they all apply to the taxicab.

(At this point, Senator Curtis withdrew from the hearing room.)

The CHAIRMAN. Mr. Doria, I hand you exhibit 1 in the testimony in these hearings, and I ask you to examine it and see if you recognize it.

(Document handed to witness.)

Mr. DORIA. Yes, I believe this is the photostatic of the first charter application in local No. 102.

The CHAIRMAN. That is correct. What date does it show it was issued?

Mr. DORIA. September 12, 1950.

The CHAIRMAN. That is the date of the application. Will you look at the date of issuance?

Mr. DORIA. 9-18-50.

The CHAIRMAN. That would be September 18, 1950?

Mr. DORIA. That is right.

The CHAIRMAN. Thereafter, that charter was canceled, was it not?

Mr. DORIA. Well, I can't refer to it as a cancellation. The idea is that the charter was then, again, modified. It was the same 102 charter but it was modified because the local requested a change in the names that appeared on their original charter, so some of those people that are indicated on this first charter left the organization.

The CHAIRMAN. What did you do with the first charter?

Mr. DORIA. The first charter, I believe, was destroyed.

The CHAIRMAN. All right. Thank you very much.

Now will you look at exhibit No. 2 to the hearings, and state if you identify it?

(Document handed to witness.)

Mr. DORIA. This is what I recall was the issuance of the change of names on charter 102 after that had been canceled out and those names no longer applied. Then these names applied, but it was again 102.

The CHAIRMAN. It is still 102; is it not?

Mr. DORIA. It is still 102.

The CHAIRMAN. Do you recognize your signature?

Mr. DORIA. Yes.

The CHAIRMAN. Is that your signature?

Mr. DORIA (speaking) :

Charter for local 102 reissued today listing names on attached letterhead of local 102. Old charter destroyed by Anthony Doria and this charter issued to cover the area of greater New York City.

That is right.

The CHAIRMAN. The old one was destroyed?

Mr. DORIA. That is right.

The CHAIRMAN. Will you look at this document and examine the handwriting on it?

Mr. DORIA. That is right.

The CHAIRMAN. Whose handwriting is it?

Mr. DORIA. All except the last line is my handwriting.

The CHAIRMAN. Including the handwriting "All correspondence to John Dioguardi"?

Mr. DORIA. Yes.

The CHAIRMAN. So you did know him personally at that time?

Mr. DORIA. Yes, I stated that I knew him at the time he became associated as an organizer.

The CHAIRMAN. And he became a charter member of the second charter?

Mr. DORIA. Of the second charter, that is right.

The CHAIRMAN. You investigated him prior to that time?

Mr. DORIA. At that time I was with him and I was able to talk about investigation since I had been with him.

The CHAIRMAN. So you had been investigating him prior to that time, and that is the testimony you were giving before that board, because the third charter had not been issued?

Mr. DORIA. That is right, but I had not, on the September 18, 1950, charter.

The CHAIRMAN. I did not say you had.

Mr. DORIA. Then we are in agreement.

The CHAIRMAN. I said between the first and second one you had, and you had testified you did not know him until 1952. Therefore—

Mr. DORIA. Wait a moment, Senator McClellan.

The CHAIRMAN. Just a moment.

Therefore, your testimony here at that board hearing was relating to the second charter that you issued.

Mr. DORIA. And the first. And the first.

The CHAIRMAN. It was not related to the third.

Mr. DORIA. No, but it was the second and the first. And prior to the second charter issuance, I knew John Dio personally. I was working with him on organizational work.

Mr. KENNEDY. Tell me this: When did local 102 become affiliated with your international?

Mr. DORIA. Well, apparently the date is September 18, 1950, on the record.

Mr. KENNEDY. Let us just consider that. The question is, and I will read this once again:

Mr. Doria, bringing you down to local 102, are you familiar with the circumstances under which it was affiliated with the international, which affiliation took place in September 1950?

Mr. DORIA. There were two questions before that board, Mr. Kennedy, which is what I am trying to get to. Is the questioning on that by a Mr. Friedlander?

Mr. KENNEDY. No.

Mr. DORIA. It is not by Mr. Friedlander?

Mr. KENNEDY. Let us go back. You said the affiliation took place in 1950. Your answer is—

Yes, I issued the charter to 102 personally. Local 102 was chartered by our organization on the basis of recommendations that we received from friends

that we have operating in the American Federation of Labor, through the Federal labor unions, as one example. Those are direct affiliates of the American Federation of Labor and upon the recommendation of people coming from the Federal labor union that we are in close contact with, it was recommended that a charter to cover the New York area be issued. There was an application on that charter that concluded about 16 people which of course are listed on the charter and I would not remember all their names. The charter was issued as a result of an application, and the people coming into our office to make the application for the charter and upon investigation that we conducted through members of the Federal labor unions in the American Federation of Labor, we finally issued the charter and established the jurisdiction for that charter here in the metropolitan area.

Then over here—

Did the Federal labor unions recommend Mr. Zakman?

ANSWER. The Federal labor unions did not recommend Mr. Zakman.

QUESTION. Did the Federal labor unions recommend Johnny Dio?

ANSWER. Yes.

Is it not true that Mr. Dio was in from the beginning, that the charter was granted originally so that Dio could operate in New York, and you finally decided to legalize that by making a second charter by putting his name on it, but that Paul Dorfman had recommended Johnny Dio right from the beginning?

Mr. DORIA. No. That is completely wrong, I am telling you about the first part of the testimony, and it is still a correct bit of testimony. What I am trying to point out to you is that since the charter was issued on the 18th, reissued on the 23d—

Mr. KENNEDY. You don't say anything with that.

Mr. DORIA. I don't say anything with that, because it was understood to those people before whom I was testifying. They knew about it. They knew our cases had gone before that board.

Mr. KENNEDY. You are talking about how the charters were issued, how Dio was recommended.

Mr. DORIA. Yes. Dio was recommended after Dio was in the organization and after I knew Dio in the organization.

Mr. KENNEDY. Tell me this: Did Dio act as your regional director in New York?

Mr. DORIA. No; he did not. Dio was never a regional director.

Mr. KENNEDY. Was he a director of the New York activities?

Mr. DORIA. He was a director of the activities in New York City.

Mr. KENNEDY. District 3-A?

Mr. DORIA. District 3-A, that is right.

Mr. KENNEDY. When it was decided to abandon the taxicab charter in 1953, was there a movement at that time to take the organization, the taxicab organization, into the teamsters?

Mr. DORIA. On the basis of the experience we just had, Mr. Kennedy, unless I have records, I will not testify to dates that I don't remember any more. But I will say this, that there was a movement at the time that we were asked by the AFL to stop our organizational work in taxicabs, to turn this charter over, not the charter but the organization, over to the teamsters.

Mr. KENNEDY. At that time, did you have meetings with Jimmy Hoffa?

Mr. DORIA. I met Jimmy Hoffa with respect to the matter—I don't recall—I think it was as early as the convention that was held in New York City at the Commodore Hotel, and I don't remember what year that was, the AFL Convention.

Mr. KENNEDY. Where?

Mr. DORIA. New York City.

Mr. KENNEDY. When there was discussion of the taxicab—

Mr. DORIA. It was during the taxicab drive, but there was a convention held, and I think we could establish the date of it because they change cities every year, in New York City at the Commodore Hotel and I discussed the matter.

Mr. KENNEDY. Was it not true that prior to this Dio had a number of conversations with Jimmy Hoffa about bringing his organization and himself into the teamsters?

Mr. DORIA. Here is what I can give you on that, as I recall it. When the position was taken by the council of the AFL, that our organization had to get out of the taxicab organization in New York City, at that time there was a meeting, I believe, going on in Florida of the executive council or of the teamsters, I don't recall which. When this letter came in, Johnny Dio went to Florida for the purpose of meeting with teamster representatives for the purpose of attempting to take the membership in taxicabs and turning them over to the teamsters who normally claim jurisdiction.

Mr. KENNEDY. Did you go with him to Florida?

Mr. DORIA. No; I did not.

Mr. KENNEDY. Did you meet in Florida with him?

Mr. DORIA. No; I don't think I was on that trip at all. As a matter of fact, I think he went alone.

Mr. KENNEDY. Did you ever go to Florida with him?

Mr. DORIA. Yes; I have been to Florida with him.

Mr. KENNEDY. Did you meet with Jimmy Hoffa in Florida?

Mr. DORIA. I met with Jimmy Hoffa in Florida, yes, but I don't remember the occasion.

Mr. KENNEDY. And Dio?

Mr. DORIA. I met with Dio in Florida, I have been with him all over the country.

Mr. KENNEDY. Did you meet with Dio and Hoffa in Florida?

Mr. DORIA. I don't remember if I did or not. I think if they were both there, I undoubtedly would and did, but I don't recall it.

Mr. KENNEDY. You do not at any time remember meeting with Hoffa and Dio in Florida?

Mr. DORIA. I don't recall any just now, but it seems to me that we might have if we had been present at the same time.

Mr. KENNEDY. Did you meet with Dio and Hoffa in Florida and discuss the taxicabs?

Mr. DORIA. I don't recall that. I know Dio was sent down, and I did not go with him, to Florida. The thing I don't recall is whether I subsequently went down to Florida, to help conclude that.

Mr. KENNEDY. Do you think you might have?

Mr. DORIA. The reason I don't recall it is that I actually recall meeting in Washington with Einar Mohn, the vice president, I believe it was, of the teamsters, with respect to the matter, and whether I came in from Florida, or whether I went there from Wisconsin, I do not recall.

Mr. KENNEDY. You don't remember ever meeting with Dio and Hoffa in Florida on the taxicabs?

Mr. DORIA. I don't recall it, Mr. Kennedy.

Mr. KENNEDY. In February 1953?

Mr. DORIA. I don't recall it. I don't say that I did not, but I merely say that I cannot recall it.

Mr. KENNEDY. In March 1953, did you come from Milwaukee to meet with Hoffa and Dio and Hickey and others in New York?

Mr. DORIA. Yes.

Mr. KENNEDY. And didn't Mr. Hoffa—

Mr. DORIA. Wait a minute. While I am testifying to these things, I don't remember the dates, but I did meet with Hoffa and I did meet with Hickey and—

Mr. KENNEDY. Did not Hoffa at that time make a strong recommendation about bringing Dio and the taxicab organization into the teamsters?

Mr. DORIA. At that time, Hoffa, I think, was interested in taking over the taxicab organization.

Mr. KENNEDY. Just answer the question. Did he or did he not?

Mr. DORIA. I don't recall any statements that Hoffa made; it is too long ago.

Mr. KENNEDY. I thought you said he was interested in taking them over.

Mr. DORIA. Yes; he was interested. That I can testify to. But I don't recall any statements that he made with respect to it.

Mr. KENNEDY. You just remember that he was strongly in favor of it?

Mr. DORIA. I remember that he was strongly in favor of it; yes.

The CHAIRMAN. The Chair hands you what purports to be a photostatic copy of a check in the amount of \$1,000, dated February 11, 1953, made payable to you and drawn on the account of the international union, United Automobile Workers of America. The check is signed by you as international secretary-treasurer, and it appears on the back to be endorsed by you. It is in payment of a voucher No. 1168, dated February 11, 1953. There are certain notations on the voucher of what it is for. The Chair asks you to examine the check, the photostatic copy of it, and also of the voucher attached, and state if you identify them and recognize them.

(Documents handed to witness.)

Mr. DORIA. This, apparently, Mr. Chairman, is a check that was cashed for expenses to this Florida meeting of the executive council at which time the discussions were being carried on for the purpose of transferring the membership of the taxicabs that we had in New York to the teamsters.

On the basis of this, it appears that I was in Florida, and that I must have followed John Dio to Florida after he had gone down there, if this is the same time.

The CHAIRMAN. That helps to refresh your recollection?

Mr. DORIA. That is right. It does help to refresh my memory of the situation.

The CHAIRMAN. That may be made exhibit No. 77.

(The document referred to was marked "Exhibit No. 77" for reference and will be found in the appendix on pp. 4471-4472.)

Mr. DORIA. Let me state, so that the record is clear and we don't get into another hassel, that I am testifying on the basis of what this indicates to me as a record.

The CHAIRMAN. Just read it.

Mr. DORIA. It says:

Organizational expenses, meeting, Florida, during executive council session, Beck of teamsters, Hoffa and J. Dio of UAW-AFL.

This is around the February 11 date.

The CHAIRMAN. That is a voucher you submitted upon which to have the check issued to yourself for the \$1,000 expense?

Mr. DORIA. That is right.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. At whose invitation had you gone to Florida?

Mr. DORIA. I don't think I went to Florida on any invitation other than that Johnny Dio was there, to discuss the possibility of turning over the taxi membership and, if this is indicative of the fact that I had to follow on down, as I certainly believe that it is, that I went down there as a result of any complications that might have arisen with respect to effecting the transfer.

Mr. KENNEDY. Was there discussion prior to that time, between Dio and Hoffa, regarding the financing of your taxicab drive by Hoffa?

Mr. DORIA. Well, I don't recall any discussions about the financing of our taxicab drive by Hoffa or by anybody else.

Mr. KENNEDY. You do not?

Mr. DORIA. No.

Mr. KENNEDY. Did you discuss that with Dio?

Mr. DORIA. Financing of the taxicab drive with Dio?

Mr. KENNEDY. Yes; or Hoffa?

Mr. DORIA. I don't recall discussing it with Hoffa, either.

Mr. KENNEDY. Did you ever discuss with Dio the financing of the taxicab drive by Hoffa?

Mr. DORIA. What period are you talking about?

Mr. KENNEDY. Early 1953.

Mr. DORIA. I cannot give it to you on the basis of dates, but I can tell you this: The discussion that we had with respect to the financing of the drive in taxicabs, the major discussion, I had with Dave Beck himself.

Mr. KENNEDY. Now, would you answer the question?

Mr. DORIA. But I don't recall, as I stated before, I don't recall anything right now. If there is anything that you have that might tie this together somewhat—this is some time ago and I cannot recall it.

I do recall the one with Beck, but I don't recall any others. I also recall one with Einar Mohn.

Mr. KENNEDY. Did Dio keep you advised as to the negotiations that he was conducting with Hoffa on the taxicab drive?

Mr. DORIA. Well, I think he kept us both advised. At that time he was advising both me and President Washburn, who was then the president of the international union.

Mr. KENNEDY. But these negotiations originally were being conducted between Hoffa and Dio?

Mr. DORIA. I don't know who they were being—

Mr. KENNEDY. Well, he kept you advised of what he was doing, Mr. Doria. Did he not advise you that he was keeping in touch with Mr. Hoffa at that time?

Mr. DORIA. The only thing I can recall is that we were publishing the Taxi Tattler as an organizational medium.

Mr. KENNEDY. Well, just answer the question.

Mr. DORIA. I am giving the background. He advised me of the fact that Beck or the teamsters, I don't know who, had stated that we ought to continue the Taxi Tattler, because, if they took over the drive, they wanted a continuation of the paper.

Mr. KENNEDY. Now will you answer the question?

Mr. DORIA. What is your question?

Mr. KENNEDY. The question was: Were the negotiations that were conducted regarding the taxicab drive of Johnny Dio, negotiations that were conducted with the teamsters, conducted with Jimmy Hoffa? Is that correct?

Mr. DORIA. I don't recall that. I later undertook that myself.

Mr. KENNEDY. Who did discuss it with you?

Mr. DORIA. I discussed it with Einar Mohn and Dave Beck.

Mr. KENNEDY. You say the original negotiations were conducted and you were not advised that the negotiations were conducted with Jimmy Hoffa by Johnny Dio?

Mr. DORIA. Mr. Kennedy, I must have been advised; I must have maintained contact. Certainly we were interested. It would be ridiculous for me to say that during that time I did not receive communications from Dio as to the progress of the negotiations. But what I am trying to tell you is that I don't recall them.

Mr. KENNEDY. With whom were those negotiations being conducted?

Mr. DORIA. I don't recall that, either.

Mr. KENNEDY. You remember who they were being conducted with.

Mr. DORIA. If I remembered, I would tell you. You have not found me being bashful about giving information that I possess. That is many years ago, and I cannot recall it. I will say if it is important to you to know with whom the negotiations were carried on—

Mr. KENNEDY. You cannot remember who was conducting the negotiations?

Mr. DORIA. I wasn't there. I can't tell you who was conducting the negotiations.

Mr. KENNEDY. Didn't Dio keep you advised?

Mr. DORIA. Not to that extent. As I stated, ultimately I took them over myself.

Mr. KENNEDY. I am not talking about that. I am talking about March of 1953, when you went to New York. Prior to that time, who was conducting the negotiations?

Mr. DORIA. The negotiations originally were being conducted by Dio.

Mr. KENNEDY. With whom?

Mr. DORIA. And Dio was sent to meet Hoffa.

Mr. KENNEDY. That is all.

The CHAIRMAN. The committee will stand in recess until 2 o'clock. (Whereupon, at 12:25 p. m., the hearing in the above-entitled matter was recessed, to reconvene at 2 p. m., of the same day.)

(Members of the select committee present at the taking of the recess were Senators McClellan and Mundt.)

AFTERNOON SESSION

The CHAIRMAN. The committee will be in order.

(Members of the select committee present at the convening of the session were Senators McClellan and Goldwater.)

The CHAIRMAN. All right, Mr. Counsel, proceed.

TESTIMONY OF ANTHONY DORIA—Resumed

Mr. KENNEDY. Now, in New York, Mr. Doria, Mr. Dio was in charge of the New York City area?

Mr. DORIA. Yes; at one time he finally became and was placed in charge of the New York City area, associated with our union.

Mr. KENNEDY. And he was also granted a couple of charters down in Philadelphia; is that right?

Mr. DORIA. No; Dio did not grant the charters. Dio made application for the charters, and they were granted from our union.

Mr. KENNEDY. I said "through him."

Mr. DORIA. That is right.

Mr. KENNEDY. He had charge of that area in New York and Philadelphia.

Mr. DORIA. Well, I wouldn't say he had charge of it. He was the man that we looked to for our contracts in that area, but he was not what you might say in charge. The board was in charge of all the areas.

Mr. KENNEDY. You were saying about society, this morning, throwing mud and dirt at Johnny Dio who was trying to make good. I was wondering, was it any concern to you at all as to the type of people that he was sponsoring in the labor union movement?

Mr. DORIA. Yes, I helped to remove about 4 or 6 of them myself.

Mr. KENNEDY. Then, don't we judge people also by the type of people that they associate with, and they bring into the movement?

Mr. DORIA. Well, I also like to add the purpose for which they do it to that, in trying to pass judgment upon an individual. I know that Johnny Dio, when he did contact these people, thought he was going to help them, and I was present on many of these occasions where these people went wrong and were removed, where they didn't even have to follow the procedures in our constitution because, frankly, when these incidents occurred, I just told them, either they remove themselves or we would prefer the charges. And they ordinarily left.

Mr. KENNEDY. You had sort of an organization in New York then to help rehabilitate criminals?

Mr. DORIA. It was not for that purpose, and I don't think you want to be facetious about it.

Mr. KENNEDY. I am not. I just have a list here, for instance, of the people that he brought in, and were brought in with your assistance.

George Baker and all of these people had prior records, and got into difficulty and got indicted ultimately themselves for their own activities. George Baker, Paul Cabot, Nathan Carmel, Max Chester, George Cohen, Joseph Cohen, David Cosentino, Joseph Curcio, Harry Davidoff, Henry Gasster, Abraham Goldberg, Theodore Ray, Harry Reiss, Benny the Bug Ross, Dominick Santa Maria, Arthur Santa Maria, Anthony Topazio. That is just a brief list of those that Mr. Dio and you brought into the labor-union movement.

Mr. DORIA. We didn't bring those people into the labor movement as you say. I brought nobody into the labor movement. We have got to understand one thing again and go back to fundamentals, and that is that a local union that is an autonomous local union after a charter has been issued to it, has the right within itself to employ people in the service of that local union.

Then, once those people are employed by that local union, the only prerogative that we had and still have under the constitution of our international union would have been to prefer charges against them on the basis of acts which they performed while in the local union.

Mr. KENNEDY. Mr. Doria, these are approximately 17 people to whom charters were granted. Now you had specific jurisdiction over New York and Mr. Dio was the one that was handling New York and Philadelphia for you.

These are people who had charge of locals, and they were not just employees of locals.

Mr. DORIA. Most of those people that you mentioned were employees.

Mr. KENNEDY. Oh, no, Dominick Santa Maria and Arthur Santa Maria and Anthony Topazio were appointed.

Mr. DORIA. He worked for 649.

Mr. KENNEDY. And he was appointed as secretary-treasurer of 649 and he was also appointed as an administrator of 136.

Mr. DORIA. Yes, but Anthony Topazio and Cohen, who were the two people who got involved together, were originally hired by local No. 649, I believe, and they might have had some history with 102. But once they were hired in 649 and later became officers of 649, the only prerogative that we could have exercised in that case would have been to prefer charges against them on the basis of acts committed while in the service of the local union.

Mr. KENNEDY. All I am saying is that these people for the most part had criminal records prior to the time they came in or when they were brought into the labor movement, whether as employees originally, but ultimately as officers, they got into greater difficulty and more difficulty.

Mr. DORIA. Yes, and they were removed as a result of that.

Mr. KENNEDY. You had 17 that you and Dio brought in.

Mr. DORIA. Don't say me and Dio brought them in. I did not.

Mr. KENNEDY. Dio brought them in and you were the one that had particular charge over New York, as I understand.

Mr. DORIA. No, I didn't have particular charge over it. That is another thing we ought to straighten out. I think there are some ghosts that ought to be buried here before we go much further.

I was secretary-treasurer, and the organizational activities of my international union came under the direction of the president. I, as secretary-treasurer, if you will examine our constitution, had no authority with respect to organizational work other than if I would be under special assignment by the board on organizational work.

It was only when those problems arose that the president did not want to take care of, or could not take care of, that I would be assigned to supervise organizational work. It was not my authority.

Mr. KENNEDY. As a practical matter, Mr. Doria, did you not have charge of the organizational work in New York?

Mr. DORIA. No; I didn't have charge of it. I worked directly with the president on the organizational work.

Mr. KENNEDY. Directly under the president, but didn't you have a particular interest in the organizational work in New York?

Mr. DORIA. I have had a particular interest in all of the organizational work of the international union, whether it was New York or not, and at the same time it was going on in New York I was carrying on other activities.

Mr. KENNEDY. Exactly the same type of activities?

Mr. DORIA. Yes; organizational.

(At this point, Senator Curtis entered the hearing room.)

Mr. KENNEDY. Now, we had some testimony regarding the so-called bouncing charter, for instance. You notified this committee that the charter for local 228 was not active, after it was granted in 1953.

Mr. DORIA. That is right.

Mr. KENNEDY. And yet the testimony before this committee indicates that it was very active for a period of time.

Mr. DORIA. Mr. Kennedy, I can say it was not active with the knowledge of the international union. The first that I heard about the bouncing charter was in the press. I did not know, and I did not know until practically a few days before I came here, that there was such a thing as a bouncing charter.

Mr. KENNEDY. Do you know how Milton Holt was able to get a hold of that charter?

Mr. DORIA. No.

Mr. KENNEDY. Do you know Milton Holt?

Mr. DORIA. Yes; he is with teamster local 805 in New York, I believe.

Mr. KENNEDY. What is your relationship with him?

Mr. DORIA. Just friends, knowing him in the normal course of events that we met each other. As a matter of fact, Milton Holt and I are part of the same joint venture in a mining property that he got interested in once he came to California and the relationship is just casual.

Mr. KENNEDY. What was that?

Mr. DORIA. The mining property I am working with right now.

Mr. KENNEDY. What is the name of it?

Mr. DORIA. The Roxey Enterprise.

Mr. KENNEDY. And Milton Holt has an interest in that?

Mr. DORIA. Yes, he has a very minor interest in that.

Mr. KENNEDY. But a financial interest?

Mr. DORIA. Yes, he has an investment in it from the standpoint of development of the properties.

Mr. KENNEDY. When did he invest that money?

Mr. DORIA. Quite some time ago.

Senator CURTIS. Is that a corporation?

Mr. DORIA. A joint venture.

Senator CURTIS. Who are the other people in it?

Mr. DORIA. Frankly, I can't tell you all of them, because I don't know them all. There are about 10 or 11 people involved in it.

Senator CURTIS. Will you tell me as many as you know?

Mr. DORIA. I knew Lew Sirotta, who was a fellow originally interested in it, and I joined with him. I know a Peter Lentenni and I know Nick Narty.

Senator CURTIS. Where do those last two men live?

Mr. DORIA. In California. And Irving Berkenblitz.

Senator CURTIS. Where is he from?

Mr. DORIA. He has a relationship with Lew Sirotta, and there may be more, and I can't recall their names just now.

Senator CURTIS. Is there anybody else from outside of California interested in it besides those?

Mr. DORIA. Yes, my former business partner in Milwaukee, a fellow by the name of Spros Kallas is also interested in it.

Senator CURTIS. Is there anybody else from New York?

Mr. KENNEDY. You had forgotten his name?

Mr. DORIA. I should have remembered his first, because I really have been in close contact with him all of the time.

Senator CURTIS. Is there anybody else from New York?

Mr. DORIA. Not that I know of, from New York, no.

Mr. KENNEDY. Are there any other labor-union officials?

Mr. DORIA. Well, Lentenni and Narty are not labor officials, but they belong to a local union in California that I used to be with before I resigned.

Mr. KENNEDY. What was that?

Mr. DORIA. Local No. 976.

Mr. KENNEDY. Of what?

Mr. DORIA. Of the UIW.

Mr. KENNEDY. Of your union?

Mr. DORIA. Yes, the union I was in.

Mr. KENNEDY. Allied Industrial Workers?

Mr. DORIA. Yes, sir.

Mr. KENNEDY. What did Milton Holt do? Did he invest?

Mr. DORIA. He invested in the mining venture.

Mr. KENNEDY. How much did he invest?

Mr. DORIA. \$5,000.

Mr. KENNEDY. And did that money go directly to the mining venture?

Mr. DORIA. That is right.

Mr. KENNEDY. He sent a \$5,000 check to the mining venture?

Mr. DORIA. That's right.

Mr. KENNEDY. Did you handle it for him?

Mr. DORIA. Yes; I handled it for him.

Mr. KENNEDY. Did he send the money to the mining venture or to you?

Mr. DORIA. He sent it to me, because I was going into the venture.

Mr. KENNEDY. I thought you said he sent it directly to the mining venture.

Mr. DORIA. Well, it wouldn't have made any difference, because Sirotta was the leaseholder on the mining property. He and I worked together, and anything that was handled on the mining property has been handled between me and Sirotta.

Mr. KENNEDY. So, he sent the \$5,000 check to you?

Mr. DORIA. That is right.

Mr. KENNEDY. While you were discussing going into this venture together, you never discussed his having a charter of the UAW-AFL?

Mr. DORIA. I never knew that Milton Holt was involved in the handling of any charters of the UAW-AFL.

Mr. KENNEDY. He was a teamster official and you had gone into business with him and he never mentioned about it?

Mr. DORIA. I didn't go into business with him. It is like he would have bought a couple of American Telephone & Telegraph and I would have bought some. I wouldn't say we were in business together. The mining venture is not controlled by us.

Mr. KENNEDY. But he sent the money to you?

Mr. DORIA. Yes, because I was making the investment for him.

Mr. KENNEDY. Do you hold any stock for him now?

Mr. DORIA. We all have royalty interests, and there is no stock because it is not a corporation.

Mr. KENNEDY. Does he have a royalty interest.

Mr. DORIA. Yes; he has a royalty interest.

Mr. KENNEDY. Do you have the power of attorney for him?

Mr. DORIA. I don't recall whether I do or not. I may have. I really don't recall.

Mr. KENNEDY. It is rather a coincidence that there is a \$5,000 check just about the same time that he was granting the charter out of local 228?

Mr. DORIA. He was never granted a charter from our international union.

Mr. KENNEDY. But, at the time he was giving a charter out of your local to Sam Getlan, it was just about the time he sent a \$5,000 check to you.

Mr. DORIA. I don't know the dates on it, and I am not going to say to you that it was not at that time. But I will say this to you, frankly and completely, that the check had nothing to do with union activities.

The CHAIRMAN. The Chair presents to you a photostatic copy of a check dated June 27, 1955, made out to you, "Anthony Doria, special account," \$5,000, signed "Milton Holt," and ask you to examine it and state if that is the check you received.

(A document was handed to the witness.)

Mr. DORIA. Yes; I think this is an accurate photostat of the check I received, with my endorsement for the special account, and this was for the investment in the mining property, which was Holt's.

The CHAIRMAN. The check may be made exhibit 78.

(The document referred to was marked "Exhibit No. 78" for reference, and will be found in the appendix on p. 4473.)

The CHAIRMAN. While we are on this, what is the date of that charter, or when Holt transferred the charter? What is the date of that? Let us see if we can relate it.

(At this point, Senator Mundt entered the hearing room.)

Mr. KENNEDY. The testimony before the committee, Mr. Chairman, is that it was issued in the summer of 1955, and we can't get it more specific than just the summer of 1955.

The CHAIRMAN. All right; proceed.

Mr. KENNEDY. And this check is dated June 27, 1955. He had a charter of the UAW, as a teamster official, and he had a charter of the UAW. Do you have any explanation of how that charter would get into his hands?

Mr. DORIA. If the charter got into the hands of Milton Holt, it might have gotten into his hands through the New York local, but, certainly, it was never authorized. I don't believe Milton Holt has ever appeared even on an application for a charter from the international union.

Mr. KENNEDY. He was a teamster union official.

Mr. DORIA. Yes, and that is the way I knew him.

Mr. KENNEDY. And he gave out a charter of the UAW-AFL.

Mr. DORIA. If he gave out a charter of the UAW-AFL, it was not, to my knowledge, at least, with the knowledge of anyone in international headquarters.

The CHAIRMAN. What do you think about such a transaction, now that you know about it?

Mr. DORIA. I don't think the transaction is a correct one at all because the charters of the international union were not to be bandied around by anybody and should have been issued originally from our office at all times.

The CHAIRMAN. Apparently it was issued originally, and then transferred.

Mr. DORIA. Here, Mr. McClellan, is what may happen to charters: When a local union becomes defunct, we request the return of the charter. Many times we are given the advice that the charter has been lost. We try to follow up those charters when we can, but, when we can't, of course, the only thing we do is remove the number and then we hold the number open for a while, not to create a conflict with the same charter number being reissued again.

Now, if those charters are withheld, for whatever the purpose might be, it is quite possible that they will find their place again in circulation. But it will not be with the knowledge and approval of the international union when such a thing happens, nor is it consistent with the operations of the international union.

The CHAIRMAN. Had you known about this charter transaction, you probably would not have welcomed him as a business associate.

Mr. DORIA. If I had known about the charter transaction to begin with, I would have notified the State board, as I usually did, that any application that would have come to the board under that number was to be reported to our office, and to ignore it because there was no such charter in existence.

Senator CURTIS. Did you know about the issuance of the charter of local 224?

Mr. DORIA. Only from the standpoint that I was involved in the issuance of all charters from the international union. I can't pinpoint the time and the circumstances surrounding it.

Senator CURTIS. That was issued on September 15, 1953, and Mr. Easton and Mr. Seglin were interested.

Mr. DORIA. I recall the fact that the charter was issued, yes; but I don't recall the circumstances under which it was issued.

Senator CURTIS. What did Dioguardi have to do with that?

Mr. DORIA. I, frankly, don't recall that, either. I don't know whether there was a recommendation from him at the time that the charter would be issued to those people or whether there was not.

Senator CURTIS. The charter was sent to him; was it not?

Mr. DORIA. Well, every charter that we sent out into the New York area, once he became the individual we looked to for the leadership in the New York area, normally went through John Dio to be forwarded to the individual that had applied for it.

Senator CURTIS. But you, as secretary-treasurer, would be the one that would receive the application for a charter, and examine it and find out if it was in order; would you not?

Mr. DORIA. Yes.

Senator CURTIS. Did you ever issue a charter on an application that was neither dated nor signed?

Mr. DORIA. Not unless there might have been an accompanying letter, or a confirmation by telephone with respect to it. We would have probably checked through that. Normally, we dated every charter as to an issuance date in order to establish our records in the international office.

Senator CURTIS. I am talking about the application.

Mr. DORIA. It is quite possible that a charter would have been issued on an application without a date. The important date was always the issuance date.

Senator CURTIS. Would you require somebody to sign it?

Mr. DORIA. Would it require what?

Senator CURTIS. Somebody to sign it.

Mr. DORIA. Well, the only thing it would require would be either the approval of the president or my approval to give it to the clerks in the office that would actually perform the issuance of the charter.

Senator CURTIS. Isn't someone supposed to sign an application for a charter?

Mr. DORIA. Normally, yes; the director would sign the application for a charter, but we didn't have a director in the area. The signature of the director, normally, is indicating approval for the issuance of the charter.

Senator CURTIS. That is the regional director?

Mr. DORIA. That is right. But we didn't have a regional director.

Senator CURTIS. Now, he signs his approval, but doesn't someone sign an application for a charter?

Mr. DORIA. No; the normal procedure in our international union for 20 years was that the signatures on the applications themselves were the application for the charter. The signature on an application of any other individual would merely have been an approval indication on that sheet.

Senator CURTIS. I hold in my hand exhibit No. 38, which is the application for charter 224, and it has a list of typewritten names on there, and nowhere did anybody ever sign it.

Mr. DORIA. If it is a typewritten list, there must also have been an application with signatures, and probably the application with signatures is not available to you or you do not have it, but there might have been both.

Senator CURTIS. This appears to be the official one, because it is stamped here as to the time you received it and it says, "Charter written September 15, 1953," and then it says, "Send to John Dio in New York."

Mr. DORIA. That is due to the fact that the clerks, in making out a charter, in order to get spellings correct on the charter, usually prefer the typewritten copies, and made their notations on the typewritten copies. But there might also have been a signature application. I don't recall the exact situation.

Senator CURTIS. That is all.

Senator GOLDWATER. In connection with these applications we have been discussing, is there not a provision in your constitution that requires 15 signatures to an application?

Mr. DORIA. No.

Senator GOLDWATER. Is there not such a provision in your constitution?

Mr. DORIA. Not that I know of. The constitution provided, as a matter of fact—for the last 5 or 7 years—that charters could have been issued even to individuals, as I recall. The constitution has been changed since.

Senator GOLDWATER. Are you certain there is no provision?

Mr. DORIA. If I had a copy, if you have a copy of our constitution that was approved in 1951, I could better answer that question.

Senator GOLDWATER. The reason I ask that is that it occurs to me that, during the testimony of Mr. Washburn or the developing of his record, he made statements to the effect that you were constantly interested in making that part of your constitution.

Mr. DORIA. It was changed.

Senator GOLDWATER. To change it from 15 to a lesser number.

Mr. DORIA. Yes; and it was changed many years ago.

Senator GOLDWATER. How many years ago?

Mr. DORIA. We originally had a provision, I think, for 18 names on the charter.

Senator GOLDWATER. Fifteen names?

Mr. DORIA. Fifteen or eighteen—I don't recall the exact number.

Senator GOLDWATER. But there was a provision to that effect?

Mr. DORIA. That is right. I believe it was in our 1951 convention that the convention amended that portion of the constitution and deleted the requirement of the 15 names, since by that time we were beginning to develop the amalgamated type of a local union. In developing the amalgamated type of a local union the required number of names on the charter that we had been adhering to under previous constitutions was no longer practicable by virtue of the fact that many other plants would come in under that same charter, once an amalgamated-type charter would be issued.

Senator GOLDWATER. At how many conventions that you attended did you attempt to make this change before you finally got it changed?

Mr. DORIA. The change was made in the first convention that I attended where we considered the changes, as I recall it.

Senator GOLDWATER. But you had made several efforts to get that change made.

Mr. DORIA. No. I think we succeeded on the first effort, when the issue was brought up. As a matter of fact it was approved by the board, and it was submitted as a resolution by our board to the convention, as I recall it, and it was adopted by the convention.

Senator GOLDWATER. Now, what investigations do you make of the names that appear on these applications?

Mr. DORIA. Well, now this word "investigations," let us clear it up. I don't want to get into another routine like we got into this morning. The investigations that are made are normally made by the people out in the field that obtain the applications. In the cases where regional directors are involved, the regional directors merely approve that.

In the case where a regional director would not have been involved, such as in the New York area, we made our own on the basis of the individual that we did know, and we were at no time in a position to

make extensive investigations with respect to them. For 20 years it was never the policy. We always considered ourselves quite fortunate when somebody applied for a charter that meant the establishment of a local union.

Senator GOLDWATER. Don't you think that you should have made more thorough investigations than that into the applicants?

Mr. DORIA. I think there should have been a lot of things.

Senator GOLDWATER. How do you do it today?

Mr. DORIA. Before I left, just before I left as a result of all of the issues that developed in New York, we were very, very critical about the issuance of charters. As a matter of fact, unless directors were involved, I don't think any more charters were issued.

Senator GOLDWATER. Getting away from that, have you ever made an effort to join up with the UAW-CIO?

Mr. DORIA. No. I made many efforts not to, however.

Senator GOLDWATER. Back in about 1952, did you discuss with Emil Mazie or Walter Reuther the possibilities of your union joining his?

Mr. DORIA. Well, I can't answer that question with one word, and I will give you the story.

Senator GOLDWATER. You can't answer any question with one word, but let us keep it down, because I know the other Senators want to ask questions.

Mr. DORIA. Here is the thing, I would like to give you the complete story, because a partial answer is not going to indicate anything at all.

Senator GOLDWATER. Can you make it a short partial answer?

Mr. DORIA. I will make it as short as I can.

Senator GOLDWATER. All right.

Mr. DORIA. We were invited to meet with Emil Mazie and Walter Reuther on the basis of considering a no-raid agreement. The meeting was held for the purpose of discussing a no-raid agreement. When we finally met with them in Detroit, because we happened to meet at the airport, the meeting was scheduled for Cleveland, they brought up the issue of amalgamation.

Very simply to give it to your briefly, at that time I told Walter Reuther, I said, "You are seeking unity by virtue of our amalgamation?" And he said, "Yes," and I said, "If you are sincere about seeking unity, since the majority of the membership of the American labor movement is in the AFL, why don't you come in with us, because then you are making a move in the right direction. It would hardly be correct for us to come into the smaller organization, if you seek unity."

Then other discussions went ahead, from the standpoint of their offer to us to amalgamate with them, and nothing came of it.

Senator GOLDWATER. Was that your last meeting with Mr. Reuther?

Mr. DORIA. As I recall, it was the last meeting that I had with them.

Senator GOLDWATER. That is all.

Mr. KENNEDY. Now, in the situation in New York, we are trying to get through that now, what were the arrangements as far as the per capita taxes were concerned?

Mr. DORIA. As I stated earlier this morning, we had not contemplated going into New York, and therefore we gave practically all of these local unions exoneration from the payment of per capita taxes,

to defray their own expenses since we were not subsidizing them as we subsidized the regular local unions.

Mr. KENNEDY. Now, the per capita tax stamps that were sent out, were sent out to Dio; is that not correct?

Mr. DORIA. While Dio was in office; yes, sir.

Mr. KENNEDY. So that would be for 1952, 1953, and part of 1954, he would get those.

Mr. DORIA. I will agree to those dates on the basis I assume you have checked them and they are correct, and I don't have records to verify it.

Mr. KENNEDY. He would get the per capita stamp, the dues stamps; is that right? They would be sent to him for all of the locals in New York?

Mr. DORIA. Yes, they were primarily used as receipts for local union membership.

Mr. KENNEDY. Then, he in turn would dispense them to the locals, and they would pay the taxes in to him; is that right?

Mr. DORIA. Not exactly. When the stamps were dispensed to the local unions, they were under complete exoneration. There was no payment to anybody.

Mr. KENNEDY. I understand.

Mr. DORIA. But when the local unions ultimately were changed to a degree, and they were paying per capita taxes, subject to refunds to them, then the checks for per capita tax payments were made out to the international and given to him to collect and to mail to the international.

Mr. KENNEDY. Let me understand that again. The stamps were sent to Johnny Dio in New York, and he has maybe 6 or 8 locals under him. Now, he dispenses those stamps to the various locals to collect their dues. They in turn pay him the money; is that not correct?

Mr. DORIA. No.

Mr. KENNEDY. They don't?

Mr. DORIA. No; the stamps, No. 1, were given to him. Say, for example, we had local 200 as an example, that needed 200 stamps. A bulk envelope with 200 stamps and the necessary reporting mediums was made up for local 200.

Mr. KENNEDY. You say "need" and wasn't it arranged as far as Dio was concerned, and the locals in New York, that he would get 1,500 every month anyway?

Mr. DORIA. Not anyway. It was only on the basis of the fact that they would have use for those stamps.

Mr. KENNEDY. Didn't you give those instructions to your secretary, to send 1,500?

Mr. DORIA. There may have been, if the order at that time was for 1,500, and these were ordered by local unions, and if the order was 1,500 we gave an order to send 1,500 stamps. If it had been 2,000, we would have sent 2,000.

Mr. KENNEDY. Were not there instructions that she was to send 1,500 to Dio every month?

Mr. DORIA. Not all of the way through. There were instructions during the time they were using 1,500. They might have used more or less.

Mr. KENNEDY. So 1,500 stamps went out every month to him. Now, did he ever make any accounting as to what he did with the money that was raised with those stamps?

Mr. DORIA. Now, Mr. Kennedy, the 1,500 applied exclusively to local 649.

Mr. KENNEDY. He also received 1,500 for the other locals under his jurisdiction?

Mr. DORIA. No; the 1,500, if there was an order from a local union for a given number of stamps, it applied to that 1 local union. If other local unions needed stamps they would have a special order of their own, and so many would go to that local union, and he would get them all.

Mr. KENNEDY. That is different from what you had in other areas, where the stamps would be sent to the local director; is that not correct?

Mr. DORIA. That is right.

Mr. KENNEDY. Here you had a system where the stamps would be sent to Johnny Dio.

Mr. DORIA. That is right.

Mr. KENNEDY. And Johnny Dio in turn would be the one to collect the money from the other locals.

Mr. DORIA. He never collected. When you say "collect the money," he collected the checks made out to the international union and there was no cash transaction.

Mr. KENNEDY. How do you know that?

Mr. DORIA. Because of the fact that if there were reports that were made—

Mr. KENNEDY. That is the point.

Were there any reports that were made during this period?

Mr. DORIA. From time to time, certain local unions; yes.

Mr. KENNEDY. There was not an accounting. Mr. Dio never returned the stamps that he did not use to the international?

Mr. DORIA. Well, if he didn't return them, he got a notice every month to return them, and I don't recall that.

Mr. KENNEDY. Do you testify that he got a notice that he should return those stamps?

Mr. DORIA. Let me tell you on what basis I testify to that, and bring it to the attention of this committee, that we had an automatic provision whereby say the January per capita tax had been reported, and the balance of unused stamps had not been sent in with the report. The clerks were instructed normally to notify the local union to return the stamps because we kept a regular record of the stamps issued.

Mr. KENNEDY. Who was your secretary or the clerk you would notify?

Mr. DORIA. That would have been one of the bookkeeping clerks, and it all depends on who was there at the time. I don't recall who it might have been because we had quite a few changes.

Mr. KENNEDY. Was it Miss Clatworthy? Did you have her?

Mr. DORIA. Yes; I think we had a Miss Clatworthy.

Mr. KENNEDY. Didn't you instruct her not to send out the notice to Dio, that he was handling this matter by himself?

Mr. DORIA. There could have been occasions, if Dio called me by phone and explained the situation to me, where I might have instructed

her not to send a note by virtue of the fact that I already knew what was happening; yes.

Mr. KENNEDY. Wasn't that the general instruction that you gave to Miss Clatworthy during this period of time?

Mr. DORIA. It might have been.

Mr. KENNEDY. Why didn't you testify when I asked you the question originally? Why don't you testify as to what the complete facts are?

Mr. DORIA. Because you have got notes there that you have checked on that can refresh your memory, and I haven't. It is just that simple. If I asked, "What did you have for breakfast in 1952, on January 4?" you wouldn't know.

Mr. KENNEDY. Do you remember having a conversation with Miss Clatworthy that Dio would handle these per capita taxes and that they would be handled by his local in New York?

Mr. DORIA. Yes; I had a lot of conversations with the clerks in the office with respect to that, and they were always pertinent to whatever was developing in New York.

Mr. KENNEDY. So he had control over the moneys of the locals in New York?

Mr. DORIA. No; he did not, because there was not one single check ever made out to Dio. Any money paid by the New York locals had to come into the international office, not to Dio.

Mr. KENNEDY. Is it not true that on many occasions this money was paid in cash?

Mr. DORIA. None that I know of.

Mr. KENNEDY. Well, you never got an accounting from him as to what happened to the stamps, and how do you know what happened to them?

Mr. DORIA. Well, now, there is confusion here definitely, and if you want to go through it, I will go through it with you.

But local 649, for example, just to pick a local as an example of the procedure, would give out a certain number of stamps on a given month, that were exonerated for the payment of per capita tax. They would be given out to the membership and the local union would collect the money in cash.

Now, with respect to Dio, if it was a local union of which he was not an officer, the officers of that local union collected the cash for the stamps, and then the officers of that local union, if they were paying per capita taxes, would make out a monthly per capita tax report and issue a check in payment of the per capita taxes. Dio was then designated during the time he was there to collect these reports and the check from the local unions of which he was not an officer, and remit it to the international union.

Mr. KENNEDY. Why was this handled differently in New York than it was handled in any other section of the country?

Mr. DORIA. Because I found it extremely difficult to get the right kind of people in charge of the handling of the affairs of local unions in New York, with respect to the keeping of records, and I wanted somebody there to supervise them and try to keep tab on them, if it was at all possible.

Mr. KENNEDY. And the best person you could possibly find in New York, the most honest man, the man that knew most about accounting and money, was Johnny Dio; is that right?

Mr. DORIA. It was not done on that basis. John Dio happened to be in a position of leadership, on a relative basis, let us put it that way.

Mr. KENNEDY. He was better than the rest?

Mr. DORIA. He was better than anyone else I could have gotten.

Mr. KENNEDY. In the UAW-AFL, you mean. Now, you had your meeting in New York regarding Dio's activities, and the pressure was being brought by Mr. Meaney and others for the ouster of Johnny Dioguardi. Ultimately it was decided to pay him or make a payment of \$16,000 to him; is that right?

Mr. DORIA. Yes. As a matter of fact, I originally found out about the \$16,000 agreement from John Dio himself. I did not come into that meeting until late, and I was coming in from Los Angeles.

When I got into New York, John Dio notified me that he had agreed to resign and that a settlement had been made to pay him \$16,000 for the vouchers that he had that he was still holding from local 102.

Mr. KENNEDY. Did you suggest that is how much he should be paid?

Mr. DORIA. No; I did not suggest that.

Mr. KENNEDY. Did you review the vouchers?

Mr. DORIA. I think, this is going back some time, and John Dio as I recall it, submitted at that time a whole stack of vouchers.

Mr. KENNEDY. Did you review them?

Mr. DORIA. No; I did not review them and I did not make the deal.

Mr. KENNEDY. Who made the deal with him?

Mr. DORIA. My understanding was it was made either by the board or with Mr. Heaton and I don't recall now. But the first I found out about it—as I told you before, and I didn't like the idea, and I was not for it, I resented the whole thing. They all knew about it.

It was the board together or Mr. Heaton alone, or with other members of the board. But I first found out about it from Dio himself, and then I went to Heaton and asked him if it was true.

Mr. KENNEDY. You were against it?

Mr. DORIA. Well, don't let me mislead you. I was against it from the standpoint I didn't want Dio out of the union. I felt he should not have resigned under the circumstances.

Mr. KENNEDY. But you were not against paying him the \$16,000?

Mr. DORIA. No; I made no objection to paying the \$16,000. I was against the whole thing, and the \$16,000 to me did not represent any payment to Dio in the first place, and it was merely for vouchers and expenditures incurred by the local union.

Mr. KENNEDY. How did you know that he incurred expenses of \$16,000?

Mr. DORIA. Because on many, many occasions I was there when he paid people, and he had signed these vouchers, and these were the type of vouchers.

Mr. KENNEDY. Did you review the vouchers?

Mr. DORIA. I did not review the vouchers.

Mr. KENNEDY. Who reviewed the vouchers?

Mr. DORIA. I don't know who reviewed them. He was paid when he got in there.

Mr. KENNEDY. It is a very interesting thing, because Mr. Heaton testified before the committee on Friday that he did not review the

vouchers, and that this deal was made by you, and that you told him that there were \$16,000 worth of vouchers.

Mr. DORIA. I don't care what anybody else testified to.

Mr. KENNEDY. You testified that you did not review the vouchers and that it was Mr. Heaton's idea.

Mr. DORIA. I didn't say it was Mr. Heaton's idea, and I don't know whose idea it was. My point is that everybody on the board and in the international knew I was not in favor of the removal of Johnny Dio.

Mr. KENNEDY. We are not talking about that.

Mr. DORIA. And no one came to me.

Mr. KENNEDY. We are not talking about that. We are talking about the payment of \$16,000 by the union; \$16,000 of union members' dues were taken out and paid to Johnny Dio, and Mr. Heaton said this was because you had verified the vouchers and found \$16,000 worth of vouchers.

You testified before the committee that you had not even looked at the vouchers.

Mr. DORIA. I didn't say I hadn't looked at them. I had not reviewed them for the exactness of the amount, but I knew Johnny Dio had more than \$16,000 worth of vouchers.

Mr. KENNEDY. How?

Mr. DORIA. By virtue of being as close to the activities as I was in the organizational progress in New York.

Mr. KENNEDY. How much money had he invested in the union, approximately?

Mr. DORIA. I don't know, and I wouldn't know whether it was an investment. I don't know if that is a proper description of it, of the money that went into the union, but I do know that more money went into defraying the expenses of handling local 102 than was ever collected by 102.

Mr. KENNEDY. Now, again, that is very interesting, but it has nothing to do with the facts on this.

Mr. DORIA. What you are seeking, I don't know.

Mr. KENNEDY. You do not know how much money he put into the union?

Mr. DORIA. No; I do not.

Mr. KENNEDY. But you say it is more than \$16,000?

Mr. DORIA. I think it was far more than \$16,000.

Mr. KENNEDY. \$30,000?

Mr. DORIA. I wouldn't know. I wouldn't hazard a guess and I know it is more than \$16,000.

Mr. KENNEDY. He was just very interested in the working people of New York City and wanted them to have a union, and so he invested over \$16,000?

Mr. DORIA. No. He expected that. When the local union would be functioning and established, he would have returned to him whatever vouchers he had to indicate expenditures for which he had not been paid.

Mr. KENNEDY. Where did he get the money to put it in?

Mr. DORIA. I don't know about that.

Mr. KENNEDY. You were not interested in that?

Mr. DORIA. No; because I couldn't have done anything about it anyway.

MR. KENNEDY. I would think this is a local that is under the jurisdiction of the international, and you have this man who has been convicted of extortion, and he comes in; he is putting a lot of money in the local.

MR. DORIA. But will you please remember that, during the time I was watching the affairs of local 649, I was in exactly the same capacity with respect to 460 other locals.

MR. KENNEDY. Mr. Doria, you are the one who said that you knew all about this.

MR. DORIA. I didn't say I knew all about it.

MR. KENNEDY. You said you were watching the affairs.

MR. DORIA. I don't know how much money he got, and I told you I don't know how much money he spent.

MR. KENNEDY. Mr. Doria, you said you were watching the affairs of this local very carefully.

MR. DORIA. That is right, organizationally.

MR. KENNEDY. Where was this money coming from that you say Dio put in?

MR. DORIA. I don't know where the money came from, and he might have borrowed it.

MR. KENNEDY. Where was he borrowing it from?

MR. DORIA. Don't ask me.

MR. KENNEDY. Didn't it concern you? You said you were concerned about his relationship with other people.

MR. DORIA. Any local union in this international union, even after they have just gotten through with their conventions, is in a position to go out and borrow all of the money that people will trust them with. The international constitution specifically provides that the international union is not to be bound by any of the financial transactions of a local union. Therefore, their autonomy is there, and it is a right of self-rule.

MR. KENNEDY. You do not care who finances one of the locals?

MR. DORIA. I would not say I don't care, and I would certainly care if I felt that they were being financed for purposes other than the building of a union.

MR. KENNEDY. Did you not think it was interesting to find out where this money was coming from?

MR. DORIA. I was only aware of one thing, and that was that Johnny would have done a lot to obtain a respectable position in the labor movement, and to me it was not surprising if he would have gone out to borrow money to put it into the union in the hope of establishing it and being paid back later.

MR. KENNEDY. You never asked about that, and you never asked him where——

MR. DORIA. I did.

MR. KENNEDY. Where did he say it came from?

MR. DORIA. I did ask him.

MR. KENNEDY. What is that?

MR. DORIA. He didn't say where the money came from, and he said, "Doria," that is one thing that is best that you always will never know because," he said, "why should you get involved with it, too?"

MR. KENNEDY. Did that not arouse your suspicions?

MR. DORIA. What is that?

Mr. KENNEDY. Did that not arouse your suspicions a bit?

Mr. DORIA. No.

Mr. KENNEDY. You liked him and you thought he was coming in here and he was getting a chance, and he was bringing in 18 or 20 other fellows, and everybody was getting a chance to do good?

Mr. DORIA. As far as I am concerned, I had hoped they would do good. That is the way I tried to help them.

The CHAIRMAN. As I understood you, the international is not responsible for the debts of a local.

Mr. DORIA. That is right.

The CHAIRMAN. That is true, under your constitution?

Mr. DORIA. That's right.

The CHAIRMAN. But your international picked up the \$16,000 tab that Dio claimed that he had advanced to a local.

Mr. DORIA. That's right; and you know why that was done? It was done for this reason, Mr. McClellan—

The CHAIRMAN. It had no liability.

Mr. DORIA. No. It could never have been forced into doing it in court. But it was done on the basis of the fact that, when local 102 was started, it was contemplated that they would be allowed to finish the work in New York, and when the international union went along with the idea of canceling local 102, naturally, we precluded any possibility of Dio or anybody else who might have advanced funds to be paid back. To that extent, they accepted the \$16,000. It could never have been enforced in court.

The CHAIRMAN. I believe you said a moment ago there were more than \$16,000 worth of vouchers.

Mr. DORIA. Yes.

The CHAIRMAN. So far, we have been able to find only \$5,138.83 worth of vouchers. Do you know what became of the others?

Mr. DORIA. No; I don't. I know there were three in the international union headquarters and I understand they were picked up by one committee, and I don't know whether some of them went to the ethical practices committee at the time we appeared before them, but I don't know what happened to the remainder of the vouchers.

Mr. KENNEDY. We just have the facts; that, according to the record, Mr. Heaton said he did not examine the vouchers, that he depended on what you said. You say you did not examine the vouchers in detail—wait a minute—and \$16,000 was then paid to Johnny Dio, and we have examined the vouchers and the most that they come to, and there is no evidence that this money was put in by Dio, but the most they come to is \$5,138.82.

Mr. DORIA. But there was no question in the minds of any member of the board of the Allied Industrial Workers that Dio had not spent in excess of \$16,000. I don't believe you could get one of them that would give you any other testimony than that.

Mr. KENNEDY. We have had testimony before the committee, because Mr. Weintraub and Mr. Donohue say they were telephoned and they were told Mr. Dio was going to be paid \$10,000.

Mr. DORIA. I don't know anything about that. They certainly didn't get such a telephone call from me. They might have gotten it from somebody else, but not from me. I knew nothing of the deal until after it had been consummated.

Mr. KENNEDY. After the payment of \$16,000 to Dio, in 1954, did he have anything to do with the union after that time?

Mr. DORIA. Not in any official capacity. I, of course, personally, as a result of the work that I had done close to Johnny Dio, continued to be a friend of Dio's, and met Dio on many occasions at labor functions.

Mr. KENNEDY. Did you discuss the union's affairs with him and get his advice on things?

Mr. DORIA. I used to discuss union affairs with him, and, naturally, it was impossible to meet him without discussing union affairs. We did; we discussed many of the people that he had been directly associated with before he left the movement.

Mr. KENNEDY. Did he have any position with the union after that time?

Mr. DORIA. He had no official position that I know of at all with the union at that time, or any other union that I knew of.

Mr. KENNEDY. Did you request him to do anything for you, with the unions, at that time?

Mr. DORIA. I don't recall. I might, in discussions with him, general type of discussions you have with a fellow I was as friendly with as I was with him. I would ask him questions about the individuals and how the locals were getting along, or whether or not they needed any assistance, and I might have discussed anything with him because, after all, he was in at one time, and I would not have withheld anything from him.

Mr. KENNEDY. But he had no connection with the union after that time?

Mr. DORIA. No official connection that I knew about.

Mr. KENNEDY. Well, what do you mean by official connection?

Mr. DORIA. I mean, by that, that he was not recognized as being a member of our international union or a member of any local union. Now, if he still retained certain relationships with the individuals he dealt with, just like, for example, I resigned 6 months ago and there are many occasions when I met with some of the people of the international union and I discussed union affairs with them. We would discuss things like selling a building or anything else they might be interested in.

Mr. KENNEDY. But, as far as coming to him, to administer any of the locals, for instance, or make decisions for any of the locals, he didn't have that position?

Mr. DORIA. I don't recall any.

Mr. KENNEDY. Is it possible?

Mr. DORIA. I was very close with him and I would have discussed a lot of things with him, even after he left, but I don't recall anything like that; no.

Mr. KENNEDY. Is it possible that the international would pay him \$16,000 and say that they were rid of him completely, and then have some sub rosa connection with Johnny Dio when he was with management, then?

Mr. DORIA. Management?

Mr. KENNEDY. Yes.

Mr. DORIA. I don't know of any; no.

Mr. KENNEDY. Now, we had some information and evidence that he was the one who called off or placed some pickets on a shop in 1955 for local 224.

Mr. DORIA. Whom was he representing at the time?

Mr. KENNEDY. He was placing the pickets, and he put the pickets on for local 224, and he took them off, Rockaway Motors.

Mr. DORIA. I don't know, unless he was working with the officers of that local union that he knew, and he thought he might have been helpful to them in participating.

Mr. KENNEDY. Why would he be, in 1955, when he was associated with Equitable Research, which is a management consultant firm, why would he be placing pickets of local 224 on an establishment?

Mr. DORIA. I certainly have no idea, and I don't know.

Mr. KENNEDY. Are you surprised to hear that?

Mr. DORIA. I am surprised to the extent that he would have participated, but I am not surprised when I consider the fact that they might have been friends of his, that he still carried over from the standpoint of having been with the union at one time and might have worked with them.

Mr. KENNEDY. That is quite an advantage, is it not, for somebody who is in labor-management advisory position, that he can put pickets on and take them off for a union?

Mr. KENNEDY. You mean as an adviser to management?

Mr. KENNEDY. Yes, and he is the one who makes decisions as to whether pickets will be put on a place.

Mr. DORIA. I would say that would be a beautiful arrangement if you wanted to exploit it; yes.

Mr. KENNEDY. But he wasn't the type?

Mr. DORIA. He wasn't the type that would do that.

Mr. KENNEDY. Exploit it?

Mr. DORIA. I don't think so.

Mr. KENNEDY. Who was in charge of the New York area after Dio retired in 1954?

Mr. DORIA. Well, as I say again, there was never anybody really in charge of it, but the man that we looked to after Dio terminated his association with the union, I think, was a fellow by the name of Joe Curcio.

Mr. KENNEDY. Is this a letter that you wrote to Joe Curcio?

The CHAIRMAN. Let me ask you: When was it that you got Dio out of the union?

Mr. DORIA. I don't remember the date.

The CHAIRMAN. What was the date of that \$16,000 check?

Mr. KENNEDY. September 3, 1954.

The CHAIRMAN. September 3, 1954? I hand you a carbon copy of a letter dated July 13, 1955, addressed to Joseph Curcio, president of UAW-AFL, Amalgamated Local 649, New York, and the letter bears the typewritten author of Anthony Doria, international secretary-treasurer. I will ask you to examine the letter and see if you recognize that as a photostatic copy of the letter you wrote to Mr. Curcio regarding the affairs of that union.

(A document was handed to the witness.)

The CHAIRMAN. Do you recognize the letter?

Mr. DORIA. Yes, sir.

The CHAIRMAN. It will be made exhibit No. 79.

(The document referred to was marked "Exhibit No. 79" for reference and may be found in the files of the select committee.)

The CHAIRMAN. I noticed this letter dated July 13, 1955, some 9 months after Mr. Dioguardi was paid \$16,000 to get rid of him. I understood you to say he had no further official interest or authority in connection with the locals after that time.

Mr. DORIA. I know of none that he had from the standpoint of an official interest in the local unions. I certainly continued to talk to him about the unions beyond the date he left.

The CHAIRMAN. I am sure you did that, but I wondered why, if he had no authority or no connection with the unions after that time, you felt it advisable or desirable to send him copies of your correspondence.

Mr. DORIA. On that letter, he was interested in the situation and I wanted him to do one thing, and that is, with respect to the people that still went to him on any of these matters, he might at least be advised of what went on.

The CHAIRMAN. Did you so write him? And you apparently sent him a copy of this letter.

Mr. DORIA. Yes; because, if you will notice, that is a new procedure. That was developed in the international union, wherein I made up a completely new reporting manual for all of the local unions.

The CHAIRMAN. But he was out?

Mr. DORIA. Sure he was out.

The CHAIRMAN. And he did not have anything to do with the new procedure.

Mr. DORIA. I was not unaware of the fact that he was a friend of the movement, and I still went with him and talked with him.

The CHAIRMAN. He was still pretty much in command up there.

Mr. DORIA. I won't say that he was in command; no.

The CHAIRMAN. You thought he had enough influence. You were keeping him advised of all of the changes, apparently.

Mr. DORIA. Let me state, if I thought that, by virtue of talking to a friend of his, and having him approach him, to straighten out the affairs, as that letter would indicate, there were many things to be straightened out, and I could have used him to help me as a friend, and I would have used him.

The CHAIRMAN. You did not instruct in this letter; you did not instruct Curcio to get in touch with John Dio, did you?

Mr. DORIA. No; I did not.

The CHAIRMAN. He was not mentioned, other than you sent him a copy?

Mr. DORIA. That is right.

The CHAIRMAN. That was a signal to Curcio that John Dio knew what was going on, that you were keeping him informed?

Mr. DORIA. A signal to Curcio for what?

The CHAIRMAN. When you sent him a copy of the letter you are sending to Curcio, you are telling John Dio; that was a signal that Dio was being advised?

Mr. DORIA. He didn't need a signal from me.

The CHAIRMAN. If he needed one, that provided it.

Mr. DORIA. He certainly didn't need one. Curcio knew Dio better than I did.

The CHAIRMAN. And Curcio knew he was running the show up there, too.

Mr. DORIA. No; he did not. I don't think he did. John Dio was no longer running the affairs.

The CHAIRMAN. I am very sorry, but the committee will have to take a recess. There is a rollcall vote in the Senate. We will return as soon as convenient to do so. We will stand in recess temporarily.

(Present at the taking of the recess: Senators McClellan, Goldwater, and Mundt.)

(Brief recess.)

(Present after the taking of the recess: Senators McClellan, McNamara, Goldwater, and Mundt.)

The CHAIRMAN. The committee will be in order.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Doria, Mr. Dio supposedly resigned from the union in September of 1954, but you were keeping him advised as to the various plants that were being organized, the per capita dues payments, through 1955; is that right?

Mr. DORIA. As a matter of fact, I met with Dio as recently as a few weeks ago, and still talked union matters over with him.

Mr. KENNEDY. But you were sending him correspondence?

Mr. DORIA. If he told me he was interested in that, I would send it to him; sure.

Mr. KENNEDY. At the same time, he was working for Equitable Research, and he was being retained by some of the companies with whom these unions did business or had contracts. Did you know that?

Mr. DORIA. Well, I don't know anything about his Equitable operations, other than that he was in that business. But I don't know anything about his operations.

Mr. KENNEDY. Those are the facts. You were keeping him advised as to what was going on in the union, sending him copies of the correspondence, and at the same time he had a company called Equitable Research which was being employed by companies that had contracts with these unions.

Mr. DORIA. I don't know that, either, Mr. Kennedy, whether he had contracts with any of the employers that were part of the ground under any of the Allied Industrial Workers contracts. That I don't know.

Mr. KENNEDY. We have had testimony before this committee by Mr. Lehrer, for instance, and he made a contract in September of 1955 with Equitable Research, and, during this same period of time, you were writing letters, copies of which were sent to Johnny Dio regarding the activities of local 227.

Mr. DORIA. I don't know if Johnny knew about letters.

Mr. KENNEDY. What?

Mr. DORIA. Frankly, I don't know of any other letter that he got besides the one we are talking about.

Mr. KENNEDY. I will help you with them.

Mr. DORIA. If there are any more, I would like to see them. I don't recall any.

Mr. KENNEDY. This was on 227, the one that had the contract.

Mr. DORIA. That is right.

Mr. KENNEDY. And Equitable Research had a contract with Mr. Lehrer.

Mr. DORIA. Was Mr. Lehrer connected with local 227?

Mr. KENNEDY. No. Mr. Lehrer was representing the Glass Dealers Association. The Glass Dealers Association bargained with local 227 and, at the suggestion of the president of local 227, Harry Reiss, they went to Equitable Research, Johnny Dio, and made a contract with Johnny Dio, and paid him what was equivalent to about \$2,500 over a 3-year period during this exact same period of time.

Mr. DORIA. Well, I don't know about those operations at all.

The CHAIRMAN. I will hand you another letter of the same date, July 13, 1955. This is an original letter addressed to Joseph Curcio, president, UAW-AFL, Amalgamated Local 649. It appears to bear your signature as international secretary-treasurer. I will ask you to examine it and state if that is your letter, the original that you sent to Mr. Curcio on that date.

(Document handed to witness.)

Mr. DORIA. Yes; I can identify this letter.

The CHAIRMAN. That letter may be made exhibit No. 80.

(The document referred to was marked "Exhibit No. 80," for reference and will be found in the appendix on p. 4474.)

The CHAIRMAN. I hand you another letter dated July 6, 1955. But I notice, first, on that letter of exhibit 80, you sent a copy of that, the letter of July 13, to John Dioguardi.

Mr. DORIA. Right.

The CHAIRMAN. I hand you another one dated July 6, to Joseph Curcio as president, signed by you as international secretary-treasurer, and I ask you to examine that and state if you identify it.

(Document handed to witness.)

Mr. DORIA. Mr. McClellan, I can tell you the nature of the letters that have this attached to them. This is a report showing unit numbers, plant names, per capita tax payments not made and so forth. They were written to all the locals, and in all those cases I sent a copy to John Dioguardi. I don't know whether you have them all or not.

The reason for that was, if you will look back into this record right here, you will find that the questions with respect to per capita tax payments in some cases even go back to the time that Dioguardi was representing us in the east.

The CHAIRMAN. But he was not in the union any longer. You said he never collected them or sent them?

Mr. DORIA. No; they didn't. But from the standpoint of what the locals did since he was the original supervisor, I might have sent him copies of it, because Joseph Curcio might have had to go back to John Dio——

The CHAIRMAN. You did not "might have"; did you?

Mr. DORIA. Joseph Curcio might have had to go back to John Dio. There is one other——

The CHAIRMAN. I notice in these three letters when you send a copy to Johnny Dioguardi, you call it bookkeeping department. What kind of a bookkeeping——

Mr. DORIA. No. That is another copy on the bookkeeping department. That is within our own office.

The CHAIRMAN. So he was not in the bookkeeping department?

Mr. DORIA. No; Johnny Dio was not a bookkeeper.

The CHAIRMAN. He really was not in any department?

Mr. DORIA. He was not a bookkeeper.

The CHAIRMAN. Not officially?

Mr. DORIA. Or unofficially he wasn't a bookkeeper.

The CHAIRMAN. He was not in a department officially?

Mr. DORIA. Not in the bookkeeping department. We can establish that and get rid of that ghost.

The CHAIRMAN. You would not recommend him as a bookkeeper?

Mr. DORIA. No; frankly, no. I can think of other bookkeepers that I could recommend.

The CHAIRMAN. This may be made exhibit No. 81.

(The document referred to was marked "Exhibit No. 81," for reference and may be found in the files of the select committee.)

The CHAIRMAN. Proceed.

Mr. KENNEDY. Do you remember writing him any other letters, keeping him informed and requesting other information from him?

Mr. DORIA. No; I don't recall, Mr. Kennedy. I am not going to say to you there was no other correspondence between us, but I don't recall any specific letters.

Mr. KENNEDY. We have here a letter that you wrote directly to him about the activities of the locals in New York at the end of 1955.

Mr. DORIA. Well, I would like to see it. I will certainly identify it, if I can be refreshed with respect to my memory on it.

The CHAIRMAN. This, possibly, is not an authentic copy. The authentic copy will be available. I will ask you about it, assuming we have or will secure either the original or a copy of a letter from you to Johnny Dio. It reads like this, dated October 21, 1955:

Mr. JOHN DIO,

109 Freeport, Point Lookout, N. Y.

DEAR JOHNNY: Here is the report on the per capita tax report which I have so far received from the New York local union:

Local 224:

June 1955, 555 members, at 25 cents	\$138. 75
July 1955, 605 members, at 25 cents	151. 25
	<hr/> \$290

Local 250:

May 1955, 272 members, at 25 cents	68. 00
June 1955, 768 members, at 25 cents	92. 00
July 1955, 762 members, at 25 cents	190. 50
August 1955, 770 members, at 25 cents	192. 50
	<hr/> 643

Local 355:

January 1955, 2 members, at 25 cents	.50
February 1955, 2 members, at 25 cents	.50
March 1955, 100 members, at 25 cents	25. 00
April 1955, 100 members, at 25 cents	25. 00
May 1955, 100 members, at 25 cents	25. 00
June 1955, 100 members, at 25 cents	25. 00
July 1955, 100 members, at 25 cents	25. 00
	<hr/> 126

Local 649 only paid 75 cents per member, which will be adjusted when the full payment is made.

Local 227, Sant Maria has not paid since February, but will be in the new report, which has been mailed according to you.

This does not include the reports which you said were mailed recently, and as soon as the new reports are checked, I will give you another report including the payments made on the last per capita report from the New York locals.

You can send me proper billings for the \$1,359 at your earliest convenience.

Fraternally yours,

ANTHONY DORIA,

International Secretary-Treasurer.

Mr. DORIA. May I see that?

The CHAIRMAN. It is a copy of it, copied from the telephone. I do not have the original as yet or the carbon copy of it, but we expect to procure it. You may testify with that in mind.

(Document handed to witness.)

Mr. DORIA. I would have to have more on it, I think, sir, before I could give you too much on this. This is a letter that undoubtedly came out of my office, without question.

But just exactly what it refers to, I don't know, from this.

The CHAIRMAN. Well, obviously, you have given him a report on the whole activities of the union, to keep him advised.

Mr. DORIA. That is right, but the reason for it, I don't know.

The CHAIRMAN. If that letter is in existence, if it was issued, if you authored that letter, obviously you felt under some obligation to keep Johnny Dio fully advised of everything you were doing.

Mr. DORIA. Yes. The only thing I don't recall is the circumstances under which I issued it. The letter undoubtedly came out of my office, whether you have an original of it or not. What it refers to is local per capita tax payments.

The CHAIRMAN. That was 13 months after you paid him off, after you got rid of him.

Mr. DORIA. That is right.

The CHAIRMAN. I will have that made exhibit No. 82, subject to being replaced by the carbon copy or the original. That will be substituted for it when it arrives. But that will be attached, since it is the one exhibited to you, to the carbon copy or the original of it when you receive it, so they may be compared at any time.

(The document referred to was marked "Exhibit No. 82" for reference, and will be found in the appendix on p. 4475.)

Mr. KENNEDY. Let me read the last two paragraphs again, after going through the figures. This is the letter directly to Johnny Dio, from you, international secretary-treasurer. It says:

This does not include the reports which you said were mailed recently, and as soon as the new reports are checked, I will give you another report including the payments made on the last per capita report from the New York locals.

Mr. DORIA. That could have happened under these circumstances. I don't recall it. But there is a possibility as to how that could come about, either on a visit that Johnny Dio might have made to the west coast, or either on a visit that I might have made to New York where I talked with John Dio and requested him either to contact Curcio or somebody, that the reports were not coming through, and if he saw them to please advise them of it.

As I said, I have never stated to you and will never state to you that I completely blocked out Johnny Dio when he resigned. I was in contact with him all the time, as a friend. Socially we have been in contact. His family has visited my family on the coast. I visited his family as recently as a few weeks ago. We didn't part company completely.

Therefore, I would have, as I stated before, not hesitated if I thought he could have been of any help, to invoke himself in dealing with the people that he originally dealt with. It is quite possible that it might have happened.

I wish I had more detail on it that I could give you.

Mr. KENNEDY. And—

You can send me proper billings for the \$1,059 at your earliest convenience.

What would that be?

Mr. DORIA. That was either a reference to Joseph Curcio sending it and—

Mr. KENNEDY. This is from Johnny Dio to you?

Mr. DORIA. Johnny Dio, as such, could not have sent me a billing for anything.

Mr. KENNEDY. That is what I don't understand.

Mr. DORIA. If I did state it, it might have applied to one of the local unions. I wish I had what surrounded that, but that letter cannot give me the information.

The CHAIRMAN. What would he have to do with the information?

Mr. DORIA. He could tell them to send me the information.

The CHAIRMAN. You could send him a wire or call him and do the same thing; couldn't you?

Mr. DORIA. Sure. But if I was in New York, for example, and discussed something with him, and I went back to Los Angeles, or he was in Los Angeles and I discussed something with him, and he went back to New York, I could conceivably have written to him.

The CHAIRMAN. Let me suggest something. I don't want to be critical. But when I am trying to talk, I hope you will listen.

Mr. DORIA. I am sorry if I interrupted you. I will do the same thing.

The CHAIRMAN. What I am saying is that here is a man that you say is your friend. That is all right. But he has been in the union. You paid him \$16,000 to get rid of him.

Now the only explanation you have of such communication is that you have him to look after the other union officials to get them to report, to send them what you could call on for yourself or should have done.

Mr. DORIA. Certainly I should have done it myself. But if I ran into John Dio, I wouldn't hesitate to say, "Look, when you see Joey Curcio, have him call me," or tell Joey Curcio this or the other thing. I wouldn't hesitate to do that.

The CHAIRMAN. You did not wait to run into him. You sent him correspondence on it.

Mr. DORIA. That followed discussions between us. That was not original correspondence.

The CHAIRMAN. I don't believe it states so.

Mr. DORIA. It doesn't state so, but that is the obvious reason for writing to him. There must have been some understanding that we reached, or he had agreed to do something for me; and then I wrote to him and gave him the report. John Dio was in no capacity with our union.

Mr. KENNEDY. And he was representing management at this time.

Mr. DORIA. He might have been. But whether he represented management or agriculture or anything else, if he was a friend of mine, I would have talked to him about it.

Mr. KENNEDY. But you were giving him instructions to give to your people, the heads of locals in the New York area, and at the same period of time he was representing management.

Mr. DORIA. Mr. Kennedy, I wouldn't hesitate to give the same kind of advice to management.

Mr. KENNEDY. It is not a question of management. You are asking him to carry out instructions for the international union in New York, control over 6 or 7 different locals, at the same time Johnny Dio is representing management. According to the testimony before our committee, he was selling protection.

Mr. DORIA. Well, that I know nothing about.

Mr. KENNEDY. But you were keeping in touch with him. You must have known something.

Mr. DORIA. Not that he was selling protection. I have never had any evidence given to me that he was selling protection.

Mr. KENNEDY. You knew he was representing management and one of the things he was selling was keeping unions out.

Mr. DORIA. He was not keeping our union out, was he?

Mr. KENNEDY. No; he liked your union. I agree.

Generally, what he was selling was keeping unions out.

Mr. DORIA. I don't know that. That is something that was foreign completely to any relationship that we had in our union. But my relationship so far as management is concerned has always been, and I am sure your investigators were quite thorough in my investigation, and I think they can approach any management that I have dealt with, once the initial organizational phase was over, and I can honestly say that I have been friendly with every management I have dealt with.

Mr. KENNEDY. Can somebody represent management and the local at the same time?

Mr. DORIA. I will say that in American labor, if management gets down on the right basis there will be absolutely no area of difference with respect to it, and they could.

Mr. KENNEDY. Could somebody represent the Q department store and the local bargaining with that department store—

Mr. DORIA. If they were honest; yes.

Mr. KENNEDY. They can?

Mr. DORIA. If they were honest.

Mr. KENNEDY. They can be paid by management and the local at the same time?

Mr. DORIA. If it is merely technical advice they are seeking in their relationship and if they are perfectly honest, I say they can.

Mr. KENNEDY. Like Johnny Dio?

Mr. DORIA. I know I could do it.

Mr. KENNEDY. Johnny Dio was the only person you would trust with your funds, the only person you would put in charge of your locals and the only person you would have to represent union and management at the same time?

Mr. DORIA. Mr. Kennedy, I think we have to start with the premise that you and I don't look at Johnny Dio the same way.

Mr. KENNEDY. No. I hope not.

Mr. DORIA. That is right. We have to start with the premise that I absolutely believe that Johnny Dio was sincere and honest. I had absolutely nothing else to indicate anything else to me. I did not follow Johnny Dio throughout his life. I cannot vouch for all his actions. But in his relationship with me, I had reason to trust Johnny Dio.

Mr. KENNEDY. You have as much confidence in him as you have in your own integrity and honesty?

Mr. DORIA. With respect to our acts, yes, where we both participated.

Senator MUNDT. Mr. Chairman?

The CHAIRMAN. Senator Mundt.

Senator MUNDT. That sort of leads us back to the colloquy we had this morning, Mr. Doria, where we discussed the impact of Johnny Dio on society and the impact of society upon Johnny Dio, at which time you said that you were convinced that Johnny Dio had nothing to do with this acid throwing.

Mr. DORIA. Well, no, I don't believe it.

Senator MUNDT. You said that in your opinion you thought he didn't do it.

Mr. DORIA. That is right.

Senator MUNDT. And you also said that in your opinion Johnny Dio did not engage in labor racketeering when he was associated with the union.

Mr. DORIA. That is right. I don't believe that, either.

Senator MUNDT. Why do you suppose it was, then, that Johnny Dio took the fifth amendment when he came before our committee?

Mr. DORIA. I don't know. I have no powers to be able to penetrate the innermost recesses of his mind and determine how he functions internally.

Senator MUNDT. He told us that he couldn't answer the question because he was afraid of self-incrimination.

Mr. DORIA. Well, I know, but if a fellow takes a position that he cannot answer a question because of possible incrimination, he may have his own reasons for it. What they may be are not necessarily conveyed to me. I wouldn't be able to testify as to why he did it.

Senator MUNDT. If you were sitting on this side of the table and you asked a man some questions and he said, "I cannot answer them because of the possible fear of self-incrimination," how would that active mind of yours react?

Mr. DORIA. The active mind of mine would take this position, Senator, that I believe he is exercising his rights under the Constitution.

Senator MUNDT. I wouldn't deny that.

Mr. DORIA. And I believe he is entitled to them. I think you know as well as I, that under the extremely lax laws with respect to conspiracies, the mere mention of your name can implicate you and incriminate you. If those people fear that they may be associated in such a manner, even though they know they are not guilty of wrongdoing, they might take the fifth amendment to avoid such possible incrimination.

Senator MUNDT. Pursuing that a little further, we asked him some specific questions to which had he said "Yes," he would have definitely implicated himself. But if he had answered those questions by saying "No," he would have pretty well exonerated himself had he told the truth.

How can a man say "No" to a question of—

Mr. DORIA. I think you are as well aware of the rules with respect to appearances before committees as I am. He might have opened up a line of questioning that would have no longer permitted him to

take the fifth amendment on other questions that you might have pursued, and probably he refused to answer a question where he was completely in the clear, simply because he was not sure that he was not opening up a line of questioning that would have required him to continue further, and, therefore, took that position.

Senator MUNDT. Turning to another phase, do you know Max Chester?

Mr. DORIA. I don't know whether I know Max Chester or not. The name is a name that was associated with our locals in New York, but I frankly do not recall meeting Max Chester.

Senator MUNDT. You are aware of the fact that Johnny Dio brought him into the labor movement?

Mr. DORIA. Well, he operated there during the time that Johnny Dio did. Whether he brought him into the movement or not, I don't know.

Senator MUNDT. We have had witnesses who came here and told us of how Max Chester had intimidated him and sandbagged him over the head for money, and made him cash checks that bounced.

Mr. DORIA. I would be the first one to condemn the practice.

Senator MUNDT. What is that?

Mr. DORIA. I would be the first one to condemn it. I have never had those experiences.

Senator MUNDT. We had Max Chester before us, and he took the fifth amendment. He didn't deny he had done that, but he took the fifth amendment. Whether he was worried about question No. 2 when he ducked on question No. 1, I don't know. But he took the fifth amendment.

Do you know Mr. David Cosentino?

Mr. DORIA. Well, again, you see I dealt with the leaders there and although the names are very familiar with me, I honestly can't tell you whether or not I met them.

Senator MUNDT. You are aware of the fact that he was brought into the labor movement by Johnny Dio?

Mr. DORIA. No, not that he was brought into it, but that he was associated, yes.

Senator MUNDT. The records will show that he was brought in. He was brought down to our committee and he took the fifth amendment.

Do you know Theodore Ray?

Mr. DORIA. Yes, I know Theodore Ray.

Senator MUNDT. Are you aware of the fact that he came into the labor union under Johnny Dio?

Mr. DORIA. Yes.

Senator MUNDT. And he was brought down before our committee and took the fifth amendment.

Mr. DORIA. Yes, I read about that.

Senator MUNDT. Do you know Harry Reiss?

Mr. DORIA. I don't know whether I have met Harry Reiss personally or not. Possibly I have. Again, that is in the same category as the people you mentioned.

Senator MUNDT. People that were brought into the labor-union movement by Johnny Dio and who came down here on the evidence that we had.

He took the fifth amendment.

Do you know Dominick Santa Maria?

Mr. DORIA. I know one Santa Maria, whether it is Dominick Santa Maria or Arthur Santa Maria I don't know.

Senator MUNDT. Well, they both seem to get involved in the same troubles in the labor movement. They were brought into the labor movement by Johnny Dio and were brought down before our committee and took the fifth amendment.

That also holds true of Sidney Hodes, Bernard Tolkow, and Abraham Brier.

Now, if we were to accept your thesis that Johnny Dio was really trying to get into the labor movement and go straight and improve working conditions for the American workingman, and rehabilitate himself into society, why do you suppose he brought into the movement so many of these characters that went wrong and who had to come down here and take refuge in the fifth amendment?

Mr. DORIA. Senator, I think if all of those cases would be checked out, it would probably be determined—I don't know this, but I know Johnny Dio—that they requested the opportunity of getting into the labor and if Johnny Dio had one failing, it was later on to just deprive him of his own opportunities in the labor field, it was the inability to say "No" to anybody.

Senator MUNDT. That leads to a great Pandora's box.

Mr. DORIA. That's right. I told him at one time that he should go to a school on the various languages and learn how to say "no" in every language that he could possibly know it, that that would be the best thing he could do.

Senator MUNDT. You were discussing with Senator Goldwater this morning whether or not it was wise, either in management or in labor, to bring into positions of responsibility former convicts and people with a police record.

You said that you thought probably the same thing that applied to industry should apply to labor. That sort of makes sense. But would you say that with your experience now, in trying to rehabilitate Johnny Dio and finding that he had this failing, that he had to tell all the other friends of his that had been in trouble, "You can come into the union with me," that maybe that represents a danger in putting people with a record into positions of responsibility because they, in turn, have to say "yes" to everybody else with a record and, finally, you have nothing but a gang of would-be reformers running the union.

Mr. DORIA. No, sir, Senator, I think it indicates this: If it indicates anything at all to me it indicates that there ought to be better enforcement at the time the wrongdoing takes place.

I cannot very quickly abandon the idea upon which all American legal jurisprudence has been predicated, that it has normally been recognized that we let 100 wrongdoers escape if we can't get the goods on them, so to speak, rather than convict 1 innocent person.

I still believe that we ought to hold to that, and I believe that the stress should be placed upon enforcement and one thing that the record will indicate is this:

Throughout the entire AIW, which I believe has been maligned absolutely without reason, never did an act take place where the people remained in the organization and nobody can do any better than that.

Whether it be a banker that mishires a teller that steals money, whether it be industry that mishires an accountant, regardless of what it may be, the best they can do is remove him when they find him guilty of wrongdoing after he has come into the organization.

I don't think that ought to be abandoned under any condition.

Senator MUNDT. We have a list of some 20 people who were brought into the labor movement by Johnny Dio. They all got into trouble. They all got into conflict with the laws, enforcement agencies, or with committees making investigations.

Charges of one kind or another, all serious, were leveled against all of them. All of them were taking the fifth amendment; none of them willing to come in here and say no. None of them were like you, and I commend you on that, to come in and answer the question, sometimes too wholesomely, but answering the question.

Mr. DORIA. I can give you only my opinion, sir.

Senator MUNDT. Yes. You are entitled to it. We are glad to get it. But it occurs to me that this being the sweet society of reformation and lightness that you picture it to be, there might be something a little more insidious about this whole thing.

We see the case where, in the trials in New York City, in the acid-throwing, scandalous attack on Victor Riesel, that these associates of Dio refused to talk; they took the fifth amendment.

We see the same associates of Dio coming down before our committee on these charges and allegations and they refuse to talk. It occurs to me that there might be some intimidation or coercion on the part of Dio and his associates which is making these people clam up and protect each other like a Chinese tong.

It does not give much verification to your concept of well-doing and good intentions when the people involved, without exception, refuse to speak out before the courts of law and before the congressional committees.

Mr. DORIA. Well, Senator, I believe that the testimony this morning has indicated one thing, that nobody knew Dio and worked with him much closer than I did.

How come that same intimidation did not work with respect to me?

Senator MUNDT. Well, you have not said very much to hurt Johnny Dio.

Mr. DORIA. No; but I am giving you the answers on everything I know about it. I haven't stopped talking.

Senator MUNDT. But the people who might say something derogatory to him for some reason or another have either been intimidated or have been conscience stricken or have clammed up or have something to protect, because we get nothing but the fifth amendment from them.

Mr. DORIA. Senator, there is one thing to be considered.

Senator MUNDT. I don't think Johnny Dio would want to keep you quiet yet, because you are doing a pretty good job of presenting his side of the case.

Mr. DORIA. May I state that no one will keep me quiet.

Senator MUNDT. I believe that is right.

Mr. DORIA. There is another thing to be considered, Senator, and that is this: If you go into these people that you mentioned, if you go into their background, you will find that some did not get out of the

third grade, some did not get out of the fourth grade, some did not complete grammar school. They are fearful of a situation of this kind.

Regardless of Johnny Dio or not, those people do not want to come in here and, so to speak, pit themselves against questions that might be asked them. They do know that they can find refuge in their constitutional protection.

Therefore, rather than get involved in something they know they cannot carry out, you will find a lot of those people are doing it for that reason.

I am not trying to predict to you that that is the only reason, but that is a big factor.

Senator MUNDT. Do you propose now as a labor leader of some prominence, some distinction, and some experience, since you oppose apparently, having the criterion of Communist associations included in the Taft-Hartley Act, for the reasons you put up this morning, since you object to having anything in legislation which would prohibit the appointment and selection of former criminals in positions of responsibility in the labor union, would you suggest that perhaps we should put in some educational standards to be sure that labor leaders do have the capacity?

Mr. DORIA. You took them out. You took them out when you legislated on Taft-Hartley. We had them, but you took them out.

Senator MUNDT. What did you have that we took out?

Mr. DORIA. There is no racketeer and there is no Communist that can retain his position in an American labor union if the American labor unions have the means of getting the membership to those meetings.

No one, a racketeer cannot go out for conditions because if he goes out for conditions he is blocked out.

Senator MUNDT. Are you trying to say that if the membership of a union knows that one of its officials is a racketeer, or a Communist, and has a chance to vote on him they would vote him out?

Mr. DORIA. That is right.

Senator MUNDT. I agree to that.

Mr. DORIA. Provided, however, that those people are sufficiently conversant with what is going on in their local union to be aware of what is going on.

But under the Taft-Hartley Act, we in the labor unions—I don't say "we" anymore. As a matter of fact, let's straighten this out. I am not in labor any more. You are questioning a member of industry today.

The labor unions no longer have the opportunity of requiring local union attendance at meetings. Therefore, the majority of the people that take the easy way out hardly if ever know what is going on in their local unions.

But when the unions had the opportunity of forcing the membership there, these issues were resolved. They were resolved in our union over communism. We have never had a racketeer take over any of our local unions and control it, with racketeering practices in the local union.

He might have had a bad record to begin with, but he had to be——

Senator MUNDT. You are getting around to where I think you are going to say that Congress is responsible for Johnny Dio being in the labor movement.

Mr. DORIA. Well, now, Senator, if I as a mere officer of a local union was responsible for 85,000 people and all the officers in it, I think that Congress ought to at least be responsible for the United States, the citizens that are under Congress.

(At this point, Senator Ervin entered the hearing room.)

Mr. DORIA. In other words, I am not questioning you on how many criminals there are in your State and how come you let them get away with it. I didn't ask you that. Are your jails empty in your State, Senator? How come those people went to jail? Why didn't you keep the people out of your State?

I had the same opportunities, Senator, to keep them out of the local unions and out of the labor movement. I have no power to do it, nor does any other union man have it.

The CHAIRMAN. Maybe that is a good suggestion, to pass laws to keep them out.

Let us get back to the questioning.

Mr. KENNEDY. In that connection, could you name anybody that came into the labor-union movement under Dio as an officer that did not get into difficulty?

Mr. DORIA. Well, during the time that——

Mr. KENNEDY. No; just anybody.

Any time during that period, can you name one person that came into the labor-union movements?

Mr. DORIA. I don't know the people that well. I can tell you the reverse. I can tell you the people who came in under Dio, while Dio was there, and while I helped administer the affairs of the locals, that I personally saw to it got out.

Mr. KENNEDY. Can you name one person that he brought into the labor union in the UAW locals in New York that you helped administer that did not get into difficulty with the law?

Mr. DORIA. I could not answer that, Mr. Kennedy, because I couldn't even give you a list of those he brought in.

Mr. KENNEDY. Thank you.

Senator MUNDT. Let us have the others. You said you could give us the list of the ones he brought in——

Mr. DORIA. I am looking at the list right behind you, Senator. There is the name of Anthony Topazio. Topazio got in trouble while I was still active with the local union.

Senator MUNDT. He was brought in while Dio was there?

Mr. DORIA. That is right, while Dio was there. I gave him the option of getting out or having charges.

Mr. KENNEDY. He was in jail, so you would have difficulty administering that.

Mr. DORIA. No; he was not. He went to jail after he left the local union.

Senator MUNDT. Did you get him out before July 1952?

Mr. DORIA. Yes; he was kicked out before he was convicted. He was convicted on the issue that I kicked him out on.

Senator MUNDT. Did you kick him out before his indictment or after? The indictment was July 1952?

Mr. DORIA. Before.

Mr. KENNEDY. Was he arrested prior to the time that you took up this charge?

Mr. DORIA. No; he was arrested and then was taken out, following his arrest. The same thing is true about Joseph Cohen. The same thing is true of Henry Gasster.

There is no man that you have on that list who was either arrested or convicted for wrongdoing in the union that remained in the union while I was associated with it. That is the thing that I am smarting under.

Senator MUNDT. All these people that were brought in that were so bad you had to kick them out, that were brought in by Johnny Dio, did not create any suspicion in your mind about the good intention or good judgment of Johnny Dio?

Mr. DORIA. Let us look at it this way, Senator: Nothing hurt Johnny Dio more than the acts of these people, because who would, with Johnny Dio's past record, assume anything other than if they did this, they did so at the instruction of Johnny Dio? I told him that. He says, "Yes," he says, "they are murdering me." I saw him in the offices crying about some of the acts that these people got into. You don't believe that about Johnny Dio. But I saw Johnny Dio cry when he couldn't stop a strike, because he thought they were going to go out and cut their throats by going on a strike.

I knew he was sincere, and I knew these people were directly responsible. We got directly at the source of it. I can say to you now, and the record can be checked, that not one single man, where there was a good strong suspicion of wrongdoing, remained even in New York, whether Johnny Dio brought him in or not, during my administration.

Senator MUNDT. Let us look at the situation from a different viewpoint. You have explained how this hurt Johnny Dio, and how society hurt Johnny Dio, and how Congress, passing the Taft-Hartley Act, made it impossible to get rid of Johnny Dio. Looking at it from the standpoint of the workingmen of this country who pay dues to unions, do you not think it is a pretty bad thing for them to have people like Topazio and these other fellows getting charge of their unions?

Mr. DORIA. That is right. I certainly don't condone that. I wouldn't have any part of it. But I say that the answer to it is to put the unions in this country in a position where they can at least endorse participation by the membership. That cannot be done under Taft-Hartley, because all those people, or any others that may come in in the future that cannot produce for the rank and file, are not going to stay in a union very long.

Senator MUNDT. Let us take up the case of Henry Gasster, who was dismissed from the union because of extortion. I suppose you and Johnny Dio got him kicked out, or you got him kicked out.

Mr. DORIA. I went there the day it happened and gave him the option of getting out.

Senator MUNDT. Suppose you gave Henry Gasster power to force people to attend union meetings. Are you really sure that he would invoke that power to bring the membership together for the purpose of kicking him out?

Mr. DORIA. No; he would not have to invoke it himself, Senator. The only thing is that no one man can very long set himself up as

a dictator over a local union that is permitted meetings, and there are always enough interested to at least form the core of the control of a union.

Senator MUNDT. There is nothing in the Taft-Hartley Act that denies them the right to have a meeting.

Mr. DORIA. No; but the thing is that the majority of them that could be brought into a meeting by the people who want to run that union right even against 1 or 2 wrong leaders, would have the means of getting that kind of a regulation within that local union.

I still maintain that the salvation of the local unions and the labor movement in America is no different than the salvation of this country.

If the people just stay home and don't vote, anybody can get into public office. But it is the participation of the citizens that is going to prevent it. What will we do if the citizens of a certain State choose to elect a man that had a criminal record but is now free? What recourse do we have?

Senator MUNDT. I do not see where you get around to convincing us that the president of a local would have to enforce the rules, if he is a crook trying to stay in, and the fact that you had to kick him out from above rather than from below. I agree with you that the rank and file of American labor given the facts would kick out the Communists, the racketeers, and the crooks. There is no question about that.

Mr. DORIA. I believe they would.

Senator MUNDT. But I do not believe that a crook who is president of a union is going to require the attendance of membership at a meeting for the purpose of kicking him out. I am not quite that gullible.

Mr. DORIA. Well, what is our choice, Senator? Is it a choice that because someone has developed a malignant tumor that we immediately proscribe death? The local unions that develop this small malignant tumor of a racketeer or a Communist or some other wrongdoer, in trying to get rid of him, do we wreck the entire economy of country? Do we pass legislation that jeopardizes everyone's freedom? Or do we apply those laws that we have with sufficient investigation to get to them?

Senator MUNDT. That is what we are trying to do, trying to get more people to answer questions so we can get the facts.

Mr. DORIA. I still maintain that the thing is this: We have investigation agencies. They ought to be used to the extreme when something wrong is suspected. But the action ought to be directed against the wrongdoer and not a complete smear of the entire movement or the local union that is involved.

Senator MUNDT. Do you believe that an ounce of prevention is worth a pound of cure?

Mr. DORIA. Yes; but if the ounce of prevention will mean the death of the one that developed the malignant tumor, I cannot go for it. It all pends on what you construe to be the ounce of prevention.

Senator MUNDT. What this committee has been trying to find out is what we can do legislatively, or any other way, to protect the working families of this country against this kind of racketeering control of labor unions. That is what we are trying to solve.

Mr. DORIA. I think what this country can do legislatively to curb that is this: That they ought to advise every law-enforcement agency

or put laws on the statute books, if necessary. requiring them to do a little bit of their own investigation, and coming up with the facts instead of calling people in and asking them questions and hoping they will perjure or convict themselves, and then say, "Well, if he won't convict himself, we need legislation." The European law bodies would never accept anything like that, Scotland Yard would not accept that. They take pride in being able to bring a criminal to justice.

Why is it that the enforcement agencies and investigating agencies in this country want it served to them on a silver platter or they need more legislation?

Senator MUNDT. I think they have done a pretty good job by the looks of these 20—

Mr. DORIA. If a good job has been done, why do we need more legislation, if a good job has been done?

Senator MUNDT. To keep them out of the union before they go in.

Mr. DORIA. Then you are saying that we will pick any individual at random and say, "Because we believe you will not straighten out, we will impose a penalty on you." That is the price that I said we should not pay.

Senator MUNDT. That is not what I was saying.

Senator McNAMARA. Mr. Chairman?

The CHAIRMAN. Senator McNamara.

Senator McNAMARA. I would like to ask the representative of management a couple of questions.

Mr. DORIA. Thank you.

Senator McNAMARA. You indicate that from your past experience in organized labor that there should be enforced attendance by the membership at union meetings. Is that correct?

Mr. DORIA. Yes; I do believe they ought to have the option in the majority to decide that.

Senator McNAMARA. As one who has had some experience as an officer of unions, how would you force them to attend? I do not understand.

Mr. DORIA. The only thing you can do is prescribe minimum fines for nonattendance at meetings, which used to prevail.

Senator McNAMARA. Twenty-five cents?

Mr. DORIA. Twenty-five cents, fifty cents, whatever the case might be.

Senator McNAMARA. Do you think if a fellow wanted to go bowling, he would rather pay the quarter than come to a meeting?

Mr. DORIA. It isn't that, but the idea is when he hasn't anything else to do, he would rather not give up the dollar. Once he becomes interested, then he would rather give up bowling because of his interest. It isn't the idea that he will give up the dollar for one meeting, but the idea is when he hasn't anything to do, he will not give up the dollar but will come to the meeting and find out, and maybe some night come when he otherwise has an opportunity to go bowling.

Senator McNAMARA. You indicated you have great zeal for the freedom of individuals.

Mr. DORIA. I think when that is gone, we are giving it up in this country.

Senator McNAMARA. Would that not be done, when you are forcing a man to do something in his spare time?

Mr. DORIA. No, there is just a price being placed on it, like taxes, for example.

Senator McNAMARA. The term you used was force him to attend a meeting. You said force. That is quite different from what you say now.

Mr. DORIA. Please don't take my statements other than applying to the normal practices that were prevalent in labor prior to Taft-Hartley.

Senator McNAMARA. Then I take it you would encourage him rather than force him.

Mr. DORIA. That is right.

Senator McNAMARA. With that I would agree.

Mr. DORIA. That is right. That is my only point, Senator.

Mr. KENNEDY. Would you tell me what the last paragraph in this letter means?

You can send me proper billings for the \$1,059 at your earliest convenience.

Mr. DORIA. Well, Mr. Kennedy, as I told you before, before we got off on this other little dissertation, I don't know what that means now unless I have something to support it. I haven't got enough in that, as I told you before, to indicate whether I was speaking to him, or whether it was a message to be conveyed to one of the local unions.

Mr. KENNEDY. Was he handling the finances for the union at that period of time?

Mr. DORIA. No; not to my knowledge.

Mr. KENNEDY. It would certainly seem to indicate that from this letter, would it not?

You can send me proper billings for the \$1,059 at your earliest convenience.

Mr. DORIA. No; it would not necessarily mean that.

Mr. KENNEDY. This is a letter to Johnny Dio from you.

Mr. DORIA. That is right. It would not necessarily mean that.

Mr. KENNEDY. What would it mean?

Mr. DORIA. I told you before. I have answered that question about 4 or 5 times now. I don't have enough information on what you have there to refresh my memory as to just what were the circumstances surrounding that letter.

Mr. KENNEDY. What could it mean other than if he wasn't handling the finances of all of these local unions? At least he had an important role?

Mr. DORIA. It could have meant that a refund in that amount was due to a local union, and, if the local union would send us the necessary records, we might have made the refund.

Mr. KENNEDY. And this letter was being sent to him, Johnny Dio?

Mr. DORIA. Possibly as a result of a previous discussion I might have had with him; yes.

Mr. KENNEDY. And he still was an important figure in these locals, even at this period of time?

Mr. DORIA. Well, to my knowledge, he was not, but he was certainly friendly with all the people, because he was with them before he left, and I don't believe they gave up their social relationships because he left the union. I say they were always in contact.

Mr. KENNEDY. Do you deny that he had an important role, an important position, with these locals?

Mr. DORIA. To my knowledge, there is no basis for assuming that he had an important—

Mr. KENNEDY. Yet you would write him these letters?

Mr. DORIA. That is right. Whether or not, in the eyes of the people that were still connected with the locals, he held an important role, that would have to be determined by questioning them.

Mr. KENNEDY. Obviously, he must have, or you would not have written these types of letters to him, Mr. Doria. There can't be any other explanation.

Mr. DORIA. No; that is not necessarily true, because of the fact that I did know that the relationship between Johnny Dio and many of the people that he worked with prior to leaving the union was still good, and he could have exercised influence. If I requested him to "contact Joey Curcio and tell him I want this. I am coming through. I don't have time to talk to Joey, would you do it for me," I think he would do it.

Mr. KENNEDY. This is a detailed letter. You give him all the figures. In the other letters, you sent him all of the plants. Here you are telling him how much you collect from each union, and you are telling him to send the proper billings for the \$1,059, "at your convenience."

Mr. DORIA. Right

Mr. KENNEDY. It looks like he is collecting the money for the international, or has a very important role.

Mr. DORIA. And as I stated before, it could be a refund to a local union.

Mr. KENNEDY. So, he played an important role in 1955 in the conduct of these local unions, or at least one union.

Mr. DORIA. I cannot consider it an important role.

Mr. KENNEDY. But you cannot explain this letter?

Mr. DORIA. No. I need more detailed information on that letter. I think I can give it to you, if I had the facts that surround it.

Mr. KENNEDY. What was the system that you used when a local becomes defunct and doesn't operate any more? What happens?

Mr. DORIA. Well, there were a lot of things that happened. It was one of the things that was never formally regulated in the international union. We had all kinds of cases on that. When a local became defunct, sometimes the funds of the local union and the books were picked up by the regional offices. Sometimes they were picked up by an organizer and forwarded to an international union. Sometimes the funds were forwarded to an international union directly. Sometimes the charters were not picked up. The thing was somewhat haphazard, and it was a difficult thing to administer. There was no real, patent method. The constitution provided specifically what should have been done, but in practice we found that it was almost impossible to absolutely follow the letter of the constitution on it.

Mr. KENNEDY. What happened to the funds and the moneys of a defunct local?

Mr. DORIA. As I say, some of them were disbursed by the regions out of their own areas, because our thought always was that, if funds came in, for example, from region No. 8, and there was a defunct local there, and there was no opportunity of returning the local union to active status, the funds could have been disbursed in organizational

work in that area to assist that region. If they came into the international union, they would have been disbursed through the international union for the same purpose.

Mr. KENNEDY. You mean they would not have gone into the treasury of the international union?

Mr. DORIA. Not always; no. A lot of times they were disbursed directly as funds of a local union. That was not brought into the international treasury.

Mr. KENNEDY. I am talking about money brought into international union.

Mr. DORIA. Sometimes they were set up as cash funds outside of the international.

Mr. KENNEDY. What do you mean?

Mr. DORIA. Let's say, for example, a check comes in from a local union for a given amount of money and the local union is defunct; the condition under which the local union was operating was such that there was no opportunity to reestablish that local union; it was through. The funds could have come in and, under that local union's designation, placed in cash-reserve funds outside of the treasury of the union.

Mr. KENNEDY. Let's slow down now. The money comes in. Let's say it is \$5,000; local A has gone out of business, and \$5,000 comes in. What do you do with the \$5,000?

Mr. DORIA. Well, as I say, if it came into the international union now, so we keep ourselves straight from the region, in the international union that \$5,000, the check might have been cashed and put into cash reserves for the international union. It would not have been a part of the treasury.

Mr. KENNEDY. But it would be entered in your books and records?

Mr. DORIA. No; not until such time as the board would have taken over the money of the local union and totally and completely it became international property. But it might have been disbursed directly from the local union.

Mr. KENNEDY. Let's start over again. Local A sends in \$5,000. Five thousand dollars arrives at the international union. What do you do with the \$5,000?

Mr. DORIA. The \$5,000 itself——

Mr. KENNEDY. Just slow down. Tell me what you do.

Mr. DORIA. The \$5,000, if it arrived at the international union, it might have been held for a while——

Mr. KENNEDY. I have given you all of the particulars.

Mr. DORIA. Is it cash?

Mr. KENNEDY. Just listen. Don't put an "if" in there. You have \$5,000. Local A goes out of business and sends \$5,000 to the international. What do you do with the \$5,000?

Mr. DORIA. Normally, that would be cashed and put in the cash reserves.

Mr. KENNEDY. What does that mean?

Mr. DORIA. That means that the cash-reserve fund would be established, unless one was already established.

Mr. KENNEDY. And entered on the books and records?

Mr. DORIA. Not on the books and records; no.

Mr. KENNEDY. Who would know about the \$5,000?

Mr. DORIA. Earl Heaton would know, because he automatically becomes the administrator in that case, and I would know, because I was handling the funds.

Mr. KENNEDY. So, the only people that would know that the \$5,000 came in were Earl Heaton and you?

Mr. DORIA. Plus the organizer that sent it in, plus the director in the region where it took place.

Mr. KENNEDY. Local A goes out of business and sends in \$5,000 to the international. The only people that know that \$5,000 is in the international is Heaton and Doria. Is that right?

Mr. DORIA. No, because a local representative would have to know that the local went out of business, and he would have to notify us.

Mr. KENNEDY. I realize that. But they have gone out of business and sent the \$5,000 in. The only people that have control and know what happened to the \$5,000 after that are Anthony Doria and Earl Heaton?

Mr. DORIA. Right.

Mr. KENNEDY. So, if Anthony Doria or Earl Heaton were dishonest, they could put that in their pockets, could they not?

Mr. DORIA. Yes. We could put the whole treasury in our pockets, if we wanted to.

Mr. KENNEDY. Did you ever take any money from a local and put it in your own bank account?

Mr. DORIA. No. Not in my own bank account.

Mr. KENNEDY. You intrigue me.

Mr. DORIA. You are intriguing me with your questions, too.

Mr. KENNEDY. I would think it would interest you.

Mr. DORIA. It does.

Mr. KENNEDY. Did you take any of the money from any local union, defunct, any of the funds of any local, defunct union and use them for your own personal purposes?

Mr. DORIA. No. They were put in cash reserves to be used through the cash-reserve accounts.

Mr. KENNEDY. Did that money ever go into your own personal purpose?

Mr. DORIA. I did not spend and keep any of the international's money or any of the local union's money.

Mr. KENNEDY. You never used any of this money for your own personal purposes?

Mr. DORIA. Let's get that question, because I don't want to lead up to another hassle like this morning. Let's say that a \$2,000 check came in.

Mr. KENNEDY. Let's keep it five.

Mr. DORIA. Yes. If I cashed that check with my funds—

The CHAIRMAN. Let's be a little quiet.

Mr. DORIA. If I cashed that check with my funds, and put the funds into the cash-reserve accounts, and then cashed a check and kept it, we will understand that is a transaction that involves a cash exchange. I don't want to get technical here, but, after what happened this morning, I may have to.

Mr. KENNEDY. The only problem is what happens to the \$5,000.

Mr. DORIA. Then it is put into the cash-reserve funds.

Mr. KENNEDY. Have you ever used any of the cash from the cash-reserve funds for your own personal purposes?

Mr. DORIA. No.

Mr. KENNEDY. Did you ever make an accounting to anybody how you use that money?

Mr. DORIA. Yes.

Mr. KENNEDY. To whom?

Mr. DORIA. I made the accounting to Heaton. As a matter of fact, Heaton and I have to approve the expenditures made from that fund.

Mr. KENNEDY. Is there any sort of a book that is kept, showing that this money came into the international?

Mr. DORIA. Well, during the time that the fund is active, during the time the fund is active, we keep a regular balance sheet in the fund. (At this point Senator McNamara entered the hearing room.)

Mr. KENNEDY. \$5,000 comes in from local A. Is that ever entered in any book or record at all?

Mr. DORIA. No, because it is not international money, under the constitution. So, the thing, when there is, we open up a cash fund and put in a record in the cash fund, the date, so much money was received, and this is the balance in this cash fund.

The CHAIRMAN. You say it is not international money when it comes in?

Mr. DORIA. No. The constitution has been interpreted to mean that, until specific action is taken——

The CHAIRMAN. I am not talking about interpretations.

Mr. DORIA. That has been the practice for 20 years. It was the practice I found when I went into the international.

The CHAIRMAN. I am not talking about practices. I am talking about the constitution. This reads:

So long as said union adheres to these conditions, this charter shall remain in full force.

That is part of your charter.

Mr. DORIA. Right.

The CHAIRMAN (reading):

But upon the infraction thereof, the International Union, United Automobile Workers of America, may revoke or suspend this charter, thereby annulling all privileges secured thereunder, and upon the revocation or suspension of any such charter, or the dissolution, cessation, or withdrawal of this union, all records, property, and funds of said union, including collective-bargaining agreements, shall become and remain the property of the International Union, United Automobile Workers of America.

Mr. DORIA. Yes.

The CHAIRMAN. So, those funds, when they came in from local A, whose charter was revoked, or which became inactive, those funds, when they were received, belonged to the international union.

Mr. DORIA. But there is another provision in that constitution, Senator, if you will check it, that I think specifically deals with the matter of what happens to the funds upon a local union becoming defunct.

The CHAIRMAN. Let me ask you this: You have \$5,000 that comes in from a defunct union. You say you make no record of it when it comes in, on any of the books of the company.

Mr. DORIA. Of the union.

The CHAIRMAN. You make no record of it. Nobody knows that that money is there but you, as secretary, and the president; is that correct?

Mr. DORIA. And, as I say, the organizer that sends it in or the director that sends it in.

The CHAIRMAN. He is not in there. He is out in the field.

Mr. DORIA. I know, but he knows about it.

The CHAIRMAN. The fellow that sent it knows he sent it.

Mr. DORIA. That is right.

The CHAIRMAN. But the union members don't know that it has come in, and no other officials, from the records, know that it comes in.

Mr. DORIA. That is right.

The CHAIRMAN. It is just money that is there in trustee, without any record of it, between you and the president?

Mr. DORIA. That is right. That is the practice this union had for a period of over 20 years.

The CHAIRMAN. Let's follow up. When you get that check, you get a check for \$5,000, or it is \$5,000 in cash, it does not make any difference, that comes in from local A that is defunct, and you have taken up the charter or it has gone out of business. That constitution says that money is the property of the international. What do you do with it when it comes in?

Mr. DORIA. We put that in a cash fund, as I stated before, and keep a record of the receipt in the cash fund.

The CHAIRMAN. Put it in a cash fund? Where?

Mr. DORIA. In the international office.

The CHAIRMAN. Do you mean you just cash it and put it in the office?

Mr. DORIA. That is right.

The CHAIRMAN. You don't put it in the bank?

Mr. DORIA. No; unless it is a safety-deposit box. It is never added to the treasury, is what I am trying to point out to you.

The CHAIRMAN. It is not added to the treasury, although it is treasury money?

Mr. DORIA. We never construed it to be treasury money.

The CHAIRMAN. Whose money did you construe it to be?

Mr. DORIA. We construed that to be funds outside the normal operating funds of the union at all times.

The CHAIRMAN. You construed it to be money outside of the operating money of the union at all times?

Mr. DORIA. That is right.

The CHAIRMAN. That is what you said?

Mr. DORIA. Yes. Let's bear a little relationship to what we are talking about, though. What I am saying is about the taking, physically, of the money and putting it into the operating funds of the union.

The CHAIRMAN. All right. I am trying to find out whatever becomes of it. You first take it and segregate it?

Mr. DORIA. That is right.

The CHAIRMAN. Don't make any record of it?

Mr. DORIA. There is a record made in the cash fund.

The CHAIRMAN. Where is that record kept?

Mr. DORIA. That is kept right with the cash fund. It was kept with the cash fund.

The CHAIRMAN. You put it in a box and the record is inside and nobody can see it?

Mr. DORIA. I don't think so, as long as it is together. It cannot be public property.

The CHAIRMAN. Nobody can see it?

Mr. DORIA. That is right.

The CHAIRMAN. Nobody would know it is there except you and the president?

Mr. DORIA. The board would certainly know it is there.

The CHAIRMAN. How would they know it? There is no record of it.

Mr. DORIA. The board certainly knows what local unions are becoming defunct. We have meetings every 4 months.

The CHAIRMAN. They don't know whether you have any money left unless you have a record of it?

Mr. DORIA. It is certainly reported to the board when a local union goes defunct.

The CHAIRMAN. Where is it reported?

Mr. DORIA. At the meetings of the board.

The CHAIRMAN. Do you mean you make a record to them of how much money is sent in?

Mr. DORIA. Certainly, if there is any money sent in.

The CHAIRMAN. Then the board knows it?

Mr. DORIA. That is right.

The CHAIRMAN. It is kept separately, not put in the bank, not put in an account, but kept in cash?

Mr. DORIA. That is right.

The CHAIRMAN. What becomes of it?

Mr. DORIA. That is disbursed in a regional, for regional organizational purposes, and in the international for international organizational purposes.

The CHAIRMAN. When did it get on the record so that the treasurer would have an account of it?

Mr. DORIA. In some cases, those funds never got on the records.

The CHAIRMAN. That is what I thought.

Senator ERVIN. How did you disburse it for organizational purposes if you never put it in the bank?

Mr. DORIA. It was disbursed in cash.

Senator ERVIN. Disbursed in cash?

Mr. DORIA. That is right.

Senator ERVIN. If you have an organizing drive going on at Danville, Va., or Emporia, Kans., how did you get the cash out there to your organizers?

Mr. DORIA. If you were organizing there, you would either use a local fund from that union or, if it was in the international, you would disburse it directly out of the international where the office is located.

Senator ERVIN. I am talking about the cash you kept in the international office.

Mr. DORIA. The cash in the international office is disbursed almost exclusively for international organizational work in and about the area where the international headquarters were located.

Senator ERVIN. And no record whatever made of the disbursements?

Mr. DORIA. Yes; every disbursement was recorded and the balance maintained.

Senator ERVIN. Where did you keep other union funds?

Mr. DORIA. In the bank.

Senator ERVIN. Why did you not put this fund in the bank?

Mr. DORIA. Because of the fact that there was always a distinction between funds so brought into the international office, a practice that had been established long before I became secretary-treasurer and was continued, and it was not voted to dispose of these funds until, I would say, approximately a year ago.

Senator ERVIN. And nobody except the man that disbursed the money in cash would know how to disburse it?

Mr. DORIA. No; except the two men that had charge of the fund.

Senator ERVIN. And they would disburse a part to one man and a part to another and a part to a third and so on, and there would be no way, under God's heaven, that anybody could call on them to account for the funds and there is no way they can find out what happened to the funds, is there?

Mr. DORIA. No; there was a record, as I stated, in that cash fund of all the disbursements made from it. When that cash fund would be depleted, a report was made and then the fund was closed out.

Senator ERVIN. And nobody, after it was closed out, could trace it?

Mr. DORIA. That is right.

Senator ERVIN. That is all. Thank you.

Senator MUNDT. I have been studying the letter of October 21, 1955, and the significance of that last sentence—

You can send me proper billings for the \$1,059 at your earliest convenience. The \$1,059 represents the per capita tax report which has been received in the New York locals, specifying local 224, local 250, local 355, 1 for \$290, 1 for \$643, and 1 for \$126.

So you are talking about the total of those per capita tax returns. I cannot read this letter any other way than to assume that that money was to be sent to Johnny Dio, that \$1,059; is that correct?

Mr. DORIA. We had no obligation to Johnny Dio to send him anything. The only thing that I can—

Senator MUNDT. Let me ask you this question: As a matter of fact, did you send him the \$1,059?

Mr. DORIA. I don't recall—

The CHAIRMAN. Just a moment, please.

Proceed.

Senator MUNDT. The question was not whether you had any obligation or not, the question was, Did you send him a check for \$1,059 to reimburse him for those per capita taxes?

Mr. DORIA. I do not recall any such check being sent to Johnny Dio. I do not recall the incidents. As I testified before—

Senator MUNDT. Let me put it this way: Will you testify here today under oath and deny, will you deny the fact that a check was sent to Johnny Dio for \$1,059 for union activities as late as October or November of 1955?

Mr. DORIA. I can neither deny it nor affirm it. As I told you before, if I knew about it, I would give you what I know about it. But I cannot deny it or I cannot affirm it.

Senator MUNDT. So, from this letter, from what we know and from what you can recall, it seems quite obvious that instead of being entirely divorced from union activities in 1955, in all likelihood, and there is no evidence to the contrary, you are unable to deny it under oath, he received at least the \$1,059 after October 21, 1955.

Mr. DORIA. Senator, since when does evidence in the negative establish a positive fact?

Senator MUNDT. Because as secretary-treasurer you should know.

Mr. DORIA. I know, but I told you that I don't recall it, and now you are telling me that the mere fact that I don't recall it automatically brings into acceptance your construction.

Senator MUNDT. There is a positive fact here that you have said earlier that he was entirely divorced from all official connection and all official activities and any reimbursements from your international headquarters.

Mr. DORIA. They were not on an official basis as far as John Dio was concerned.

Senator MUNDT. If this was under the table, we are more curious about it than if it was official.

Mr. DORIA. I assume you would be.

Senator MUNDT. It would be helpful if you could deny the fact that you did not send him the \$1,059.

Mr. DORIA. No; the only thing I can do is get more records.

Senator MUNDT. If you cannot deny it, and the letter seems to affirm it, it seems that this committee would have to continue to believe that you did send him this money after October 21, 1955, and that you had not entirely divorced your financial arrangements and your union connection with Johnny Dio, even though the name on the stationery had been changed and actually he was no longer the front name as a union official.

Mr. DORIA. Well, Senator, certainly whatever construction the committee wants to place upon any fact that is established here is beyond my control. I am stating again for the record, however, that there is not sufficient background there to permit me to go back to that time and tell you exactly what that was, other than that I believe that it was a refund to a local union.

Senator MUNDT. But you do not believe it sufficiently strong so that you are willing to deny it under oath?

Mr. DORIA. No; I cannot, because I don't have it clearly enough established in my mind.

Senator MUNDT. So it could have been a refund to a local union and could have been a check directed to Johnny Dio; is that correct?

Mr. DORIA. I doubt very, very much that it could have been. I can neither deny it or affirm it.

Senator MUNDT. If you cannot deny it or affirm it, it is correct to say that it could have been one or the other.

Mr. DORIA. We can say that, and we can also say that it was sent for charity. We can say that it was sent to pay off some individual. We can say it was sent there for political action. All those things are possible.

Senator MUNDT. The only thing is that there is no correspondence to give any validity to any other deduction except the one we are making, and that is the payoff to Johnny Dio. We have correspondence on that.

There is correspondence about this eleemosynary activity.

Mr. DORIA. Let me state, Senator, that I can positively say that that was not a payoff to Johnny Dio.

Senator MUNDT. And you cannot deny that it was a payoff?

Mr. DORIA. I do not believe that that is what it was at all.

Senator MUNDT. But you are not able to deny it?

Mr. DORIA. I don't have enough facts to give you the details of it. I think that if I could check that record I could determine just what that was, going back into the international office.

Senator MUNDT. Any time after checking the record you are able to make a denial, the committee will be glad to hear it.

Mr. DORIA. I will be very glad to send it to you.

The CHAIRMAN. Let us get into this other matter before we close.

Mr. KENNEDY. This is the matter that intrigued you, Mr. Doria. I am interested in a few of the locals that became defunct and what happened to the money. For instance, the Eversharp local out in Chicago, Ill., 1800 West Roscoe Street. It had about \$10,000 in the treasury. Can you tell the committee what happened to that \$10,000?

Mr. DORIA. I am afraid I can't go that far back.

Mr. KENNEDY. It is not too far back.

Mr. DORIA. What was the year of that?

Mr. KENNEDY. About 1952.

Mr. DORIA. I didn't think it was even that recent a date. The Eversharp local was a former AFL local that came into local 286.

Mr. KENNEDY. I don't want to know what happened to the local. I want to know what happened to the \$10,000.

Mr. DORIA. I do not know what the thing was. The Eversharp local, as I recall, and that is going back pretty far for me—

Mr. KENNEDY. That is \$10,000. Did you cash that and stick it in your little box?

Mr. DORIA. What was the amount that was involved?

Mr. KENNEDY. About \$10,000.

Mr. DORIA. You are going back pretty far.

Mr. KENNEDY. No; it is not too far.

Mr. DORIA. You are only going back 5 years. If the local became defunct; it was not a local. That was a part of 286 as I recall it. There was no Eversharp local as such that I ever knew anything about.

Mr. KENNEDY. You know that the local that was handling the Eversharp plant became defunct.

Mr. DORIA. It was 286.

Mr. KENNEDY. No; it was a separate branch and it became defunct and it had about \$10,000 in its treasury.

Mr. DORIA. The only thing that I recall about that is that at one time a portion of the money of the Eversharp local went into 286 to help defray the expenses and salaries of the organizers that were taking over from Eversharp plant.

The Eversharp plant then went down from around over 1,000 I believe it was, to less than 17 people. It could no longer maintain them.

How much money, how much of the money was disbursed in payment of salaries and expenses for the organizers taking over from Eversharp, or how much wasn't, I do not recall.

Mr. KENNEDY. Was any of that money—did any of that money ever go into your bank accounts?

Mr. DORIA. And—and this I don't recall—whether it was all utilized or not, I cannot recall that either. But I do believe this, that there was a balance in the Eversharp AFL treasury that was brought into 286, when the Eversharp local came in, and I believe a portion, a portion of it, and I don't recall the amount, was at the time that the local became defunct turned over to the international.

I certainly can't recall those figures. If you have them, I will be glad to take look at them. If the money came into the international, as it might have come in, then it went into a cash fund, just as I stated before. If it stayed in local 286, it was then disbursed through local 286.

Mr. KENNEDY. What happened to the money that came into the international?

Mr. DORIA. I can't go back that far.

Mr. KENNEDY. You cannot tell us what happened to any of that money?

Mr. DORIA. No; I do know that a portion of it was used for the purpose of defraying the salaries and expenses, I think of two organizers that worked for 286 out of Eversharp. There was a balance beyond that that I think came into the international union, but I can't vouch for it because I just don't recall the incident that well.

Mr. KENNEDY. You cannot tell the committee what happened to that money that came into the international?

Mr. DORIA. No; the only thing that I can tell you is that I do know how I would have handled it, and in 1952 I was treasurer and I can tell you how I would have handled it.

Mr. KENNEDY. I am asking what happened to the money. I am not asking what you would have done. I am asking what happened to it when it came into the international.

Mr. DORIA. I cannot recall that it came into the international to begin with.

Mr. KENNEDY. Did any of that go into your personal bank account?

Mr. DORIA. No money of the union at any time has gone into my personal bank account to be used for me and by me unless it was an advance to me from the union. I would like to establish that once and for all.

Mr. KENNEDY. Did any of this money go into your personal bank account?

Mr. DORIA. No money of the union has ever gone into my personal account that I know of.

Mr. KENNEDY. Was any of this money used for any business in which you were interested?

Mr. DORIA. No union money has ever been used for businesses that I have been in.

Mr. KENNEDY. I am interested in a couple of other locals. There are a couple of locals in Meriden, Conn., local 110 in Meriden, Conn.?

Mr. DORIA. That was the New Departure plant of General Motors.

Mr. KENNEDY. And local 790 at Meriden, Conn.?

Mr. DORIA. I recall the numbers.

Mr. KENNEDY. Do you recall that they had some money, too?

Mr. DORIA. Yes.

Mr. KENNEDY. What happened to that money?

Mr. DORIA. The local 110 money—

Mr. KENNEDY. Do you know how much that was?

Mr. DORIA. No; I don't recall the amount at the moment. I recall that we had a lease outstanding at Meriden, Conn., and I believe a portion of those funds, and as I can recall it was one bond that amounted to around \$10,000, was cashed and that was placed under the administratorship of Washburn, at that time, and it was disbursed in meeting the obligations under the lease that the local union had on a meeting hall in Meriden, Conn., over a period of time.

There was also a balance in local No. 110 of another bond, I believe it was, or whether it was a series F bond, I don't recall. Those were cashed and put into cash funds out of local 110.

Local 790—

Mr. KENNEDY. Let's stay in 110 for a moment.

Mr. DORIA. All right.

Mr. KENNEDY. What was the first bond? There were bonds and cash, were there, or what?

Mr. DORIA. I don't recall any cash. I think it was bonds.

Mr. KENNEDY. The \$10,000 bond was cashed. What happened?

Mr. DORIA. A bank account was opened up on that.

Mr. KENNEDY. Where was the bank account?

Mr. DORIA. In Milwaukee. I think that was administered exclusively by Lester Washburn at the time, who was then the president and the money was used to defray the expenses of maintaining the meeting hall in Meriden, Conn., that one bond.

Mr. KENNEDY. I thought the local went out of business.

Mr. DORIA. It had, but they had a lease. There was an obligation under the lease.

Mr. KENNEDY. They had to spend all this money for that?

Mr. DORIA. Well, what happened was that the meeting hall in Meriden was then taken over by the other local unions and they held the meeting hall for their own meetings, and the international continued to pay the lease rental on that, as I recall it, until the funds were exhausted on that one bond.

Mr. KENNEDY. What happened to the other bond?

Mr. DORIA. The other bond was cashed and the money was placed in cash reserves for the international union.

Mr. KENNEDY. How was that money used?

Mr. DORIA. That money was used in organizational work on the coast, I believe. As a matter of fact, I think that bond was cashed sometime—

Mr. KENNEDY. How much was that bond worth?

Mr. DORIA. Well, it was a face value bond of \$10,000, but I don't think it had quite reached maturity. It was \$9,000 and something in funds.

Mr. KENNEDY. There were two \$10,000 bonds?

Mr. DORIA. Yes; the first one, as I told you, was cashed and utilized to pay off the expenses of the meeting hall in Meriden. The second one was cashed sometime after the moving of the headquarters to Los Angeles or to Beverly Hills, and that was used for organizational purposes and generally cash expenditures out of the cash fund the same way that the original was used.

Mr. KENNEDY. How would you do that? You cashed the bond or what?

Mr. DORIA. That is right.

Mr. KENNEDY. When was this done?

Mr. DORIA. I don't remember the date. I think it was immediately after our moving to the west coast.

Mr. KENNEDY. About 1954, or 1955?

Mr. DORIA. Possibly around that area. I can't peg the date. But it was immediately after our moving out there sometime.

Mr. KENNEDY. Did you get currency for the bonds?

Mr. DORIA. That is right.

Mr. KENNEDY. What did you do with the currency?

Mr. DORIA. That was placed in a cash fund.

Mr. KENNEDY. You are sure of that?

Mr. DORIA. That is right.

Mr. KENNEDY. Who disbursed that?

Mr. DORIA. That was dispensed in the same manner or for organizational work that we had a lot of on the west coast, in establishing the three amalgamated unions that we established on the coast.

Mr. KENNEDY. You paid that in cash?

Mr. DORIA. We paid a lot of it in cash.

Mr. KENNEDY. Who did you give that to, for example?

Mr. DORIA. I can't recall. That fund became defunct as early as July, I believe, of either 1954 or 1955. I don't remember when.

Mr. KENNEDY. But none of this money ended up in your bank accounts?

Mr. DORIA. No; none of the money. Let me say this to you about that. There may have been some cash transactions or cash exchanges where I cashed bonds and placed the money in the fund that we were carrying. But no money that was the money of the international union, that is, their property, ever ended up in any of my funds at any time.

Mr. KENNEDY. What does that mean? Did you have some transaction with any of these bonds?

Mr. DORIA. Well, there were instances where, for example, I would cash either checks or would cash bonds.

Mr. KENNEDY. I am not asking a general history of the instances where you cashed checks. We are now talking about some bonds.

Mr. DORIA. The bonds were cashed. I don't recall how the bond was cashed or where.

Mr. KENNEDY. You brought up something about an exchange.

Mr. DORIA. Yes; because it would have been possible, for example——

Mr. KENNEDY. Not would it have been possible. We are talking about the bond that you say was cashed and the \$10,000 or whatever it was was put in the fund.

Mr. DORIA. The bond was converted into cash and the cash was placed in the cash fund of the international union.

Mr. KENNEDY. Did you have any personal transaction with that?

Mr. DORIA. With the bonds?

Mr. KENNEDY. Yes.

Mr. DORIA. I had no personal transactions other than converting it into cash.

Mr. KENNEDY. How did you convert it?

Mr. DORIA. I don't recall that. I don't recall whether it was cashed at a bank, whether we cashed it at the office where we had funds available, or what happened.

Mr. KENNEDY. Why would you cash it in the office?

Mr. DORIA. Many times we did that in order not to expose the amount of money that we carried in the international office.

Mr. KENNEDY. I don't understand that. What would you do, transfer money from where to where, one box to another?

Mr. DORIA. Let us say, for example, that a check came in from a local union, to give you the practice.

Mr. KENNEDY. I want to stay right here.

Mr. DORIA. I don't recall this one, unless I have more information. I have told you that I know the bond was cashed. The funds were put in the cash fund of the international union. The procedure that was followed in cashing the bond, whether it was through the bank or through the office itself, individuals that cashed the bond and then recashed the bond, I don't recall that.

Mr. KENNEDY. Did you have any personal connection with this at all?

Mr. DORIA. In what way do you mean personal?

Mr. KENNEDY. I don't know. Did any of the money end up in your bank account?

Mr. DORIA. Not unless I cashed a bond for the international union and took over the check for the bonds.

Mr. KENNEDY. Where would you get the money to cash that bond?

Mr. DORIA. Well, I am not exactly completely broke. I keep all my funds in cash. Because I have been sued so many times and under very peculiar circumstances I have never kept any bank accounts since the harassment started 5 years ago with respect to the New York situation. All of my funds are practically in cash.

Mr. KENNEDY. Do you think that you did cash this?

Mr. DORIA. It could have happened. I know that I did it on many instances.

Mr. KENNEDY. You gave the international \$10,000 in cash?

Mr. DORIA. I don't recall giving the international any \$10,000. But if there had been any transaction where I was involved, where \$10,000 was involved, it is quite possible that it might have happened.

Mr. KENNEDY. You have more "ifs" in there.

Mr. DORIA. You are asking me about a situation that you are not giving me too many facts on.

Mr. KENNEDY. There is a local in Meriden, Conn., which has 2 bonds, each worth \$10,000. You have given an explanation that one bond was cashed and the money used to pay the lease.

Mr. DORIA. That is right.

Mr. KENNEDY. We are interested in the second bond.

Mr. DORIA. The second bond was converted into cash.

Mr. KENNEDY. I am asking what happened to the second bond.

Mr. DORIA. It was converted into cash and the cash put in the cash fund of the international union.

Mr. KENNEDY. Did you convert that check or bond into cash for them?

Mr. DORIA. I never gave them \$10,000 of cash of my money that I recall; no. But it is quite possible that it might have been cashed right in the office.

Mr. KENNEDY. But you never had anything to do with it.

Mr. DORIA. Certainly; I would be the one cashing it.

Mr. KENNEDY. You never converted this bond into cash yourself?

Mr. DORIA. The bond was not converted into cash as such. The thing that happened was that the bond was turned over to a bank and the bank issued a check, ultimately, after they checked out the bond. I think it took about 90 days to cash it.

And the check was cashed. I believe that check was cashed in our office. Then the check was used after that.

I don't know. I would have to have some facts on it.

Mr. KENNEDY. What happened to the check?

Mr. DORIA. If the check was cashed, whoever cashed it took over possession of the check. If I cashed it, I would have taken possession of it.

Mr. KENNEDY. Did you cash it?

Mr. DORIA. I don't recall whether I cashed that check or not.

Mr. KENNEDY. You cannot remember that?

Mr. DORIA. No; I can't recall that. But I do think the check was cashed and I think the check was cashed in the office because the amount involved was great enough. To give it to one of the clerks to cash it and bring the cash in would have left the opening there that cash in heavy amounts might have been kept in the international headquarters.

The CHAIRMAN. Is there any record of that transaction on the books of the international?

Mr. DORIA. No; there was no record. That was handled in the way the cash funds were customarily handled.

The CHAIRMAN. What is the name of that company of yours?

Mr. DORIA. The Roxey Enterprises.

The CHAIRMAN. Roxey Enterprises?

Mr. DORIA. Yes.

The CHAIRMAN. Is there another company in which you are interested?

Mr. KENNEDY. International Procurement Enterprises?

Mr. DORIA. Oh, International Procurement Enterprises?

Mr. KENNEDY. Yes.

Mr. DORIA. That is a d. b. a. of a friend of mine by the name of Mr. Loomis. He does business as International Procurement Enterprises. I think we can get to some of the stuff you are talking about now.

I think that refreshes my memory.

The CHAIRMAN. We will start now.

Mr. DORIA. I think I have a record here which probably will help that, which you can have if you want. Does the date of that—

The CHAIRMAN. Just a moment.

Mr. DORIA. Come around December 14, 1956?

The CHAIRMAN. No, sir.

Mr. DORIA. Well, then, probably we are off base again.

Mr. KENNEDY. Maybe that is another one.

Mr. DORIA. Maybe it is at that.

The CHAIRMAN. The Chair presents to you a photostatic copy of a check dated November 24, 1954, made out to United Automobile Workers Local No. 110, in the amount of \$9,620, a cashier's check on the California bank, the Beverly Hills office. I ask you to examine it and state if you remember that check and if you identify it.

(Document handed to witness.)

Mr. DORIA. Can we establish the date that this check was cashed, by the endorsement? I don't see it on here.

I think it would be helpful. If we could establish the date that this check was cashed or deposited, I think I can give you what you are looking for.

The CHAIRMAN. I believe it shows the date it was cashed. The cancellation should show it.

Mr. DORIA. Is this January 22, or something, 1953? I can't make it out. But that does conform to this record that I have. I think I can tell you about it.

The CHAIRMAN. Is that the union record?

Mr. DORIA. No; this is strictly a business relationship that I had with Loomis doing business as International Procurement.

The CHAIRMAN. The check may be made exhibit No. 83.

(The document referred to was marked "Exhibit No. 83," for reference and will be found in the appendix on p. 4476.)

The CHAIRMAN. It appears on the face of it that the check was made to your union, the United Automobile Workers Local 110, in the amount of \$9,620. You endorsed the check for that local; is that correct?

Mr. DORIA. That is right.

The CHAIRMAN. Then it shows it was deposited to the account of the International Procurement Enterprises, Bank of America, branch No. 662.

Mr. DORIA. It is the main branch of the Bank of America in Los Angeles.

The CHAIRMAN. It is stamped on here January 24, 1955, which would be exactly 2 months from the date it was issued.

Mr. DORIA. The date there is the 24th. I can give you all of that.

The CHAIRMAN. The check is dated November 24, 1954.

Mr. DORIA. But the deposit date is January.

The CHAIRMAN. It is stamped here January 24, 1955.

Mr. DORIA. Right.

I will tell you what that was. I have the records here and I think you have a photostatic copy of these if you want to go to them.

The CHAIRMAN. Any explanation you care to give, we will be glad to hear.

Mr. DORIA. The explanation of that is this: I, at that time, lent Richard Loomis, doing business as International Procurement Enterprises, \$25,000, and Earl Heaton lent him \$5,000. That was on a venture to undertake the creation of a company for the purpose of doing photogrammetric work for the United States Map Service.

Senator MUNDT. Is this a personal loan or a union loan?

Mr. DORIA. A personal loan, my own personal money. Heaton at that time turned over \$5,000 in cash, on January 21. I turned over \$25,000, either in cash or checks, because I had just disposed of my interest in a real-estate company that I was connected with in Milwaukee. Loomis then issued us, under International Procurement Enterprises, a note dated January 21, for \$30,000. Quite evidently, and this is the only thing that I can give you on it, the check was cashed in our office as a result of the funds that were turned over to Loomis.

The funds were put into the cash reserve of the international union. The check then was taken over and made part of the deposit to International Procurement Enterprises on the loan that was made to Loomis, and deposited in the account of International Procurement Enterprises.

The CHAIRMAN. How did this check and the money ever become yours?

Mr. DORIA. What is that? By virtue of the fact that there was at least \$5,000 that I know of of Heaton's money in that, and I think \$4,000—

The CHAIRMAN. This is not Heaton's money. This is part of the \$25,000 that you—

Mr. DORIA. Mr. McClellan, as I explained before, the proceeds that came from that check would go into the cash fund. When that check was cashed, it quite clearly, to me, was cashed by \$5,000 from Earl Heaton's part of the loan, later deposited to the account of International Procurement Enterprises, and \$4,600 and something of Loomis money that was later deposited to International Procurement.

The CHAIRMAN. If you have a record there, may we see it?

Mr. DORIA. Yes; you may see it.

I don't have a record of all of that, but I have a record of the note, the repayment, the date of the note, and my withdrawal from the transworld organization that I went into.

(Document handed to committee.)

Mr. DORIA. I think you have copies of all of that, Senator.

The CHAIRMAN. The staff will check and see if they have a copy of it.

Mr. KENNEDY. Now could you explain how the union check of \$9,600 ended up in your business?

Mr. DORIA. I will tell you not from recollection or memory but from what to me is obvious on the basis of the record, and that is that the check was cashed, the funds were put into the cash fund—

Mr. KENNEDY. Wait a minute. The check was cashed?

Mr. DORIA. This check, as I stated before, I suppose quite early, was cashed in the union office.

Mr. KENNEDY. What does that mean?

Mr. DORIA. That means that I took \$5,000 from Heaton, \$4,000 and some from Loomis, and turned that over into the cash fund, and took that check instead of the cash to open up the international-procurement account on the loan.

Mr. KENNEDY. Where did Heaton get his \$5,000?

Mr. DORIA. That was his own money.

Mr. KENNEDY. His own money?

Mr. DORIA. Yes.

Mr. KENNEDY. You did not loan him that money?

Mr. DORIA. Yes.

Mr. KENNEDY. He just walked into the building one day with \$5,000 in cash?

Mr. DORIA. No; he did it on the basis that he wanted to be a part of this aerial-mapping service.

Mr. KENNEDY. That is not the point. I understand that. Why was the transaction handled in that way?

Mr. DORIA. Because if you will look at the dates you will find that we were cashing the check and opening up the account probably on the same day, and rather than cart our cash downtown, where International Procurement Enterprises banked, since we banked in Beverly Hills, a half hour away, we cashed the check as an expedient manner of putting the funds into the cash fund and then took

the check in place of the cash and deposited it to the account of the International Procurement Enterprises.

Is that difficult to understand?

Mr. KENNEDY. Yes, very.

Mr. DORIA. I don't know what is so difficult about it.

Senator GOLDWATER. Where was this check between November 24, when it was issued, and January 24, when it was cashed?

Mr. DORIA. It was kept in the international headquarters.

Senator GOLDWATER. Did you make any record of it?

Mr. DORIA. Only in the funds to which we assigned it. I think we call that cash reserve fund No. 2.

Senator GOLDWATER. You kept this in the Los Angeles office?

Mr. DORIA. That is right.

Senator GOLDWATER. Why did you not cash the check as soon as you got it?

Mr. DORIA. Because of the fact that we were supposed to convert that into cash for the fund and I never had the opportunity of doing it.

Senator GOLDWATER. In 2 months?

Mr. DORIA. That is right.

Senator GOLDWATER. You did not get a chance to cash it?

Mr. DORIA. No. 1, I didn't want to give a girl a check for that amount, and have them understand that that was for cash funds, and let them undersetand that that was for cash in the office. We had one robbery there on the basis of supposition that we had a lot of cash. We didn't want to repeat it.

Senator GOLDWATER. You were in violation of your constitution all the time you were operating; were you not?

Mr. DORIA. On what basis?

Senator GOLDWATER. On the basis that the money returned from defunct locals becomes property of the international union and violation of section 13 which says you are the custodian of the international union.

Mr. DORIA. That is right. How could I be a better custodian than to be holding it under bond?

Senator GOLDWATER. You were in violation of this constitution all the time, were you not? You have to admit that; do you not?

Mr. DORIA. No; I don't admit that, because of the fact that the constitution is interpreted by the board, because the board has to approve these, and I have to go along with the board.

Senator GOLDWATER. Did the board approve the way you were holding this money?

Mr. DORIA. They approved the way I was holding that money in every case.

Senator GOLDWATER. The board did?

Mr. DORIA. Certainly. They held it in the same way themselves.

Senator GOLDWATER. Is that in the records?

Mr. DORIA. I don't know whether it is in the records or not.

Senator GOLDWATER. Could we see the records?

Mr. DORIA. I don't have the records with me.

Senator GOLDWATER. Are there records of where this action was approved?

Mr. DORIA. I don't know. You might check with the minutes of the meetings. When I left, I took no records with me.

Senator GOLDWATER. You took records?

Mr. DORIA. No; I didn't take any records.

Senator GOLDWATER. You see nothing wrong in handling union money in the way that you handled it?

Mr. DORIA. Senator, I was under a \$100,000 bond which I had imposed upon me to assure proper handling of union funds.

Senator GOLDWATER. The union would put the bond up for you, if you were the treasurer.

Mr. DORIA. The union put me up.

Senator GOLDWATER. You said you were under bond provided by yourself.

Mr. DORIA. No; I did not. I said I was under bond.

Senator GOLDWATER. Provided by yourself.

Mr. DORIA. No; I didn't say that.

Senator MUNDT. In regard to those records, you told the committee, I believe, in your cash reserve record you disbursed for organization purposes——

Mr. DORIA. Organizational and any other purpose that might have been approved by the president.

Senator MUNDT. But you kept a record of those disbursements.

Mr. DORIA. Certainly, we had to keep our record balance.

Senator MUNDT. That was kept in the same box or kept in the same place where you kept your money.

My question is: After the money had been spent, what happened to the records that had been kept showing it had been disbursed properly?

Mr. DORIA. We had many of those records in the dead files of the international union.

Senator MUNDT. In other words, there should be a record someplace in the files of the international union, is that true?

Mr. DORIA. Not necessarily; no.

Senator MUNDT. What happened?

Mr. DORIA. When the name of the organization was changed from the United Automobile Workers to the Allied Industrial Workers of America as a result of the merger——

Senator MUNDT. What year was that?

Mr. DORIA. That was in 1955, I think. I am not sure. We did get a new charter. You can check the charter. I can't give you the date. Then it was decided to destroy the old automobile-workers' records, and we had started to destroy the automobile-workers' records when this committee made their first investigation with respect to our office.

Then after that date no further records were destroyed, because we felt they might be pertinent, but we had destroyed many of the old records.

Senator MUNDT. Why was it decided to destroy the records?

Mr. DORIA. Because we had records there, I think, from as early as, I don't know, 1940-something, and all they had been doing is gathering dust. As a matter of fact, we paid to even have them moved. There was no object in keeping them. They had gone through the audits. The convention had already approved the audits, and everything that had been provided under the constitution from the standpoint of approval of expenditures had been complied with. There was no further purpose in keeping them.

Senator MUNDT. So, you don't know, then, whether the records of this particular transaction have been destroyed or not?

Mr. DORIA. No; I don't. You would have to check that with the international headquarters.

Senator MUNDT. If they had not been destroyed, there would be someplace in the union files a record that this \$10,000 was disbursed, that you gave \$5,000 in currency to organizer B, and this, and that?

Mr. DORIA. That is right.

Senator MUNDT. You kept that kind of record?

Mr. DORIA. That is right, showing the dates and amounts taken from those funds.

Senator MUNDT. This all occurred about a year ago, is all, and 2 years at the outside; is that right?

Mr. DORIA. This is what? This is August of 1957. I would say approximately 2 years ago, roughly.

Senator MUNDT. You must remember, then, the names of some of the organizers who would have gotten parts of that money.

Mr. DORIA. No; I don't remember—I don't remember the condition under which the individual disbursements were made, because during the time—

Senator MUNDT. You would remember, Mr. Doria, of course, that John Smith got \$1,000.

Mr. DORIA. If anyone ever got an amount of that size, I would remember it, probably.

Senator MUNDT. You would surely remember the names of some of the people you were utilizing at that time to do the organizing, quite apart from the amount. I am simply asking you: Who were some of the individuals who have gotten some of the money?

Mr. DORIA. Amounts were never disbursed in amounts of that size. They were small amounts.

Senator MUNDT. Who were some of the people that got some of the money? You didn't distribute it willy-nilly. You had a certain group of organizers who were to get the money, and you would not give it to just any Tom, Dick, or Harry that came along.

Mr. DORIA. The expenditures would be approved by the president and paid out, and that was final with respect to approval provided under our constitution.

Senator MUNDT. Who were some of the men or women who were eligible to receive that money, just a short 2 years ago?

Mr. DORIA. I couldn't possibly recall that to you. I handled all the transactions of the international union. For me to try to peg any of them and say this individual got this or this individual got any, it would be impossible.

Senator MUNDT. What were the physical circumstances by which this money left the little black box and went into the hands of the organizers?

Mr. DORIA. Either through me or Mr. Heaton.

Senator MUNDT. You would take the bills and give him the cash?

Mr. DORIA. That is right, and make a record of the balances outstanding in the account, and indicate the date of the expenditure and the purpose.

Senator MUNDT. It seems to me that, just 2 years ago, you would be able to recall at least 1 of the individuals that might have been eligible to get \$10,000.

Mr. DORIA. In the last 2 years I disbursed, Senator, I think over \$2 million, in varying amounts.

Senator MUNDT. In cash?

Mr. DORIA. No. As a matter of fact, the cash disbursements of our union, I think, add up to eight-tenths of 1 percent of the disbursements.

Senator MUNDT. Yes.

Mr. DORIA. They are not substantial.

Senator MUNDT. It is much easier to remember, I think, to whom you handed the money, as long as you did it personally.

Mr. DORIA. Senator, my answer is I cannot recall, and cannot give you the minute details of individuals to whom the payments were made.

Senator MUNDT. I am not asking you that. I am asking you whether you can recall out of that good, strong memory of yours, any one individual who might have been eligible to get any one single dollar out of the \$10,000.

Mr. DORIA. I thank you for the compliment for my memory, but I cannot do it. I couldn't be in a position, nor do I think anybody else that was handling the accounts as I was could have remembered that. I don't believe Heaton could have remembered that, and he was not handling all of the other funds like I was. I think, certainly, too much time has elapsed for that.

Senator MUNDT. You would be very helpful for the committee.

Mr. DORIA. I wish I could be. I wish I had the record before me.

Senator MUNDT. What kind of people got the money? Were they organizers?

Mr. DORIA. No; they could have been individuals in plants when you are organizing a plant; they could have been people whose expenses and gasoline you pay to solicit the plant. They could have been people at whose homes gatherings were held. They could have been all kinds of individuals that got those funds.

Incidentally, I might state again, since we are talking about law in this whole hearing, and it is probably aimed at law, one of the reasons why an operation of that kind had to be undertaken is the absolute refusal on the part of individuals participating in an organizational drive to accept a check, because, in spite of all that has been said and all of the laws that have been passed, they do not feel safe enough from their employers from being fired if connected to an organizational drive. We always had to pay in cash.

Senator MUNDT. Were any of these funds used to pay organizers on salary?

Mr. DORIA. No; the expenses of organizers on salary normally would be taken care of through the regular international methods of paying organizers.

Senator MUNDT. You said earlier that some of it might have been spent for political activity. Was it? That is when you were in the "might have" field.

Mr. DORIA. I don't know, to any extent, but, if there was participation on a State level, there might have been expenditures made that way.

Senator MUNDT. Ordinarily, when a union makes expenditures in any campaign, State or local, they would have it taken out of that cash-reserve fund rather than the funds of the union?

Mr. DORIA. No. This, of course, is one of the issues upon which I got into a lot of trouble. If the expenditures were for Federal offices, coming under the restrictions imposed under Taft-Hartley, naturally, they handle those through the political education committee, and those are not part of the union deal. If they are small participations on either the city level or the State level, there would have been meetings, attendance at conventions, and things of that nature, that might have been defrayed from those accounts.

Senator GOLDWATER. To carry on this discussion that Senator Mundt started with you, regarding political funds, from what you said about the political education committee, would you say that that is a coverup for political funds?

Mr. DORIA. The political education committee?

Senator GOLDWATER. Yes. If you want to get around the Taft-Hartley Act, would you say that it would be a political education fund?

Mr. DORIA. Maybe by answering that question I can prove at least my independence from most of the labor people. I don't believe in political education funds. I refused to collect them. I refused to pay them. And where I had anything to do with them, I discouraged them. I did not win the favor of the AFL by so doing, and don't particularly care that I didn't. But, to me, it did not make any sense that political funds ought to be taken from people that are working in plants who may be Democrats, Republicans, and everything else, and then to be handed over to somebody else who will tie their future to the tail of one political party and say that all the funds are going to go there. So, political funds were not tasteful to me at all.

Senator GOLDWATER. That is the nicest thing you have said all day. Thank you.

Mr. DORIA. I don't care about it, and I never participated. The reason I am here, I will tell you frankly, is because of that.

Senator MUNDT. Would you say that again? The reason you are here is because of political activity?

Mr. DORIA. Primarily; 90 percent of the reason I am here is because of that.

Senator MUNDT. Because you refused to participate in political activities?

Mr. DORIA. Because I not only refused to participate in it, but I condemned it.

Senator MUNDT. That brought you here?

Mr. DORIA. Yes.

Senator MUNDT. Will you explain how? I do not quite understand it.

Mr. DORIA. You are asking these questions, and, if I get lengthy, please don't blame me, because I want to answer your question.

Senator MUNDT. I do not care how lengthy you get. I want this.

Mr. DORIA. In our activity in New York City with respect to the organization of the taxicab drivers, when we got into New York City, the organization, had it been accomplished, would have represented the largest single local union in the city of New York.

In the city of New York, as you people well know by testimony that has come before this committee, was one of the stalwarts of labor, and, I understand by the papers, a very clean individual, by the name of Dubinsky.

Dubinsky opposed our operation in the city of New York, and Dubinsky made the original request that the organizational work in New York be stopped.

As a result of the request that was made by Dubinsky, and I didn't know why he made it, I was originally called, along with Lester Washburn, the former president, before the so-called racket-busting committee of the AFL, prior to the merger. There I met with David Dubinsky, George Meany, and McFetridge.

With Dubinsky, at that time, and I later determined that the real reason behind it, as was given to me, and I am giving you hearsay now, not proof, it was that he feared that the organization in taxicabs might become a political factor in the city of New York and, therefore, should be discouraged for that reason and, also, for the reason that there were no local unions of the UAW-AFL in the State of New York and that, in contemplation of the coming merger, the coalition between Dubinsky and Walter Reuther was to dominate the merged movement and, therefore, they ought to completely disintegrate our efforts in the State of New York.

However, they had reason to attack it, as I predicted to Dio when he came into the movement, by alleging that their attack was aimed at us only because of the influence of an individual like Dio.

So, we got before this committee and I asked Dubinsky very frankly, I said, "Dave, what is your real objective?" And he said, "Well, Doria, why do we need all the bad publicity that Dio attracts to the movement?"

I said, "Look, if the AFL is willing to establish a condition or policy whereby bad publicity is justification for taking somebody out of the movement, you will find me the first to go along with it."

"Well, that is what we ought to do," he said.

I said, "Fine."

I had 11 articles that a columnist by the name of Pegler had written about Dubinsky, and I had 2 of them there, which were the only articles that had appeared against Johnny Dio.

I said, "On the basis of this, I am sure that, if you mean what you say, you will resign first, and I guarantee you we will follow it with the resignation of Johnny Dio."

His answer was, "What are you reading that kind of stuff for?"

He said, "He is only mad because I am trying to take over Europe."

I don't know what that meant, but that was the answer given by Dubinsky.

Meany at that time asked us to get out of taxicabs. I don't know whether it has been brought before this committee, but we had a clearance from both the joint council of teamsters in New York as well as Dan Tobin, the president of the teamsters. There was no claim against us.

But George Meany insisted that the organization be given up.

These people were worried, No. 1, politically, as it came out later. No. 2, they had an individual in my presence that was not going along with a lot of the so-called established AFL policy that I think should

have been buried 20 years ago; and, as a result, they were using this as a guise.

When I refused to cooperate, I naturally got on a list, as all people do when they refuse to cooperate, and then the attacks started against me first by association, later on by pressure against the board members.

I invited them both to file charges against me, and both refused.

There were never any charges filed.

Finally, when they could not get me to hew to their line, they put the pressure on my board members. When I say "my board members," I mean the board members of the international union to which I belonged, and ultimately threatened them with expulsion unless they took action.

This finally culminated in the Florida meeting. Even then I refused and I invited Meany at that time, and Dubinsky, to meet with me before the press under oath with no questions barred, and let the press report it and turn over the transcript to the Justice Department to prosecute anyone that had lied. They refused to come up with that.

But the question that has never been answered to me is this: Why was it George Meany, if he was really interested in the taxicab employees, allowed the union to be destroyed, and left those people out on the street with nowhere to turn, and never made any arrangement for the organized people that had won elections legitimately through the New York State board, to find a place where they could operate as a union, which I tried to do through the teamsters, and failed?

Now, the pressure then continued into our convention in 1955, just like they did in this convention recently held, and George Meany sent his representative, a fellow by the name of Pete McGaffin, for the purpose of stirring up the delegates to defeat me in that convention. I sent word to Pete McGaffin, which information had come to me through Frank Evans, one of our board members, that he was in the hotel, to either bring McGaffin on the platform and I would debate him under oath, or he had better leave the hotel because I would challenge him the next morning.

I understand he left the hotel.

Now, all of this pressure continued to build up because of my refusal to be a part of many of the programs within the AFL, and my only point is that if I had it to do over again I would do it in identically the same manner that I have done in the past.

The pressure continued with the accusations and the allegations, and I think we are going to get into the buying of a building later on.

All of those things were picked up from employees that were discharged, that reported it to them, and merely used as convenience and expediency to continue the pressure.

Senator MUNDT. Your difficulty now with Mr. Dubinsky and with the AFL originally stemmed from the fact that you opposed the practice of imposing assessments on labor union members for use in political campaigns?

Mr. DORIA. I didn't say that. I said that is one of the reasons why I am here. I said the reason why, not to be misquoted or misunderstood, was my constant objection and challenge of the policies of the AFL.

Senator MUNDT. That was one of the policies to which you objected?

Mr. DORIA. That is one of the policies about which I complained. Another one which they corrected was in the Chicago convention, I wanted all unions in the AFL to pay the same per capita tax. We couldn't get through anything, and so finally I decided to make the amendment directly from the floor, and they recessed the convention for 2½ hours and held caucuses and practically threatened everybody not to vote for the amendment that I had made that had won popularity on the floor. I was always in that position.

Senator MUNDT. Did your ultimate resignation grow out of this disagreement, and was it made at the suggestion of the board, or did you just tire of the fight and voluntarily leave?

Mr. DORIA. My resignation actually stemmed from my refusal to continue to jeopardize the welfare of my family with the kind of smear that I was getting as a result of having people like that opposed to me.

I didn't mind it when I was alone and when I was single. It was my prerogative to decide how much I wanted to gamble in the labor movement. But when it started adversely affecting my family, then I had to give up a fight that I hated to give up, and for that reason I resigned.

Senator MUNDT. It was a voluntary resignation on your part?

Mr. DORIA. That is right.

Senator McNAMARA. This colloquy you have just had with Senator Mundt indicates that there were assessments levied on the membership for political purposes. I know of no such assessments. Were there assessments?

Mr. DORIA. No; there couldn't be.

Senator McNAMARA. The colloquy you just had indicated there were assessments, and you agree there were none?

Mr. DORIA. There was merely a request to participate in political education.

Senator McNAMARA. By voluntary means?

Mr. DORIA. That is right, and criticism if you did not come up with a good showing, which of course I very frankly state now, and stated then, that I made no effort.

Senator McNAMARA. Now tell me this: Do you have the same feeling now that you represent management against contributions for political purposes on the part of management?

Mr. DORIA. On the part of management? I think that management if they want to spend their own money, can go ahead and spend their own money as long as they don't say to their employees, "Look, if you want a job, you had better contribute, too."

Senator McNAMARA. You think that management should be able to get voluntary assessments but you don't think that the workers should be allowed to make voluntary assessments or contributions? I used the word "assessments" erroneously.

Mr. DORIA. I didn't rebel against voluntary contributions; let us not misunderstand me.

Senator McNAMARA. We are back now where we started. Were they assessments or were they contributions?

Mr. DORIA. My point was, that the request was to solicit voluntary contributions, and when they were not forthcoming, strictly voluntarily, to go out and apply pressure to see to it that people could be convinced to make voluntary contributions. To me, people don't

have to be convinced to make voluntary contributions. They make those automatically. If it requires going back, it is no longer voluntary. There is an application, in case you don't do it.

Senator McNAMARA. You feel the same rule should apply, however, to management?

Mr. DORIA. I think labor and management should have the same rules on both sides of the table.

Senator McNAMARA. That is what I trying to get at.

Mr. KENNEDY. I would like to be able to close up this one transaction before the evening is over.

Going back a second, you gave the money to whom? Two people came into your office?

Mr. DORIA. I believe, Mr. Kennedy, as I stated before, that that was a cashing of that check right in our office.

Mr. KENNEDY. You gave \$5,000 to Earl Heaton; is that right?

Mr. DORIA. No; Earl Heaton gave me \$5,000.

Mr. KENNEDY. He gave you \$5,000?

Mr. DORIA. Yes, sir.

Mr. KENNEDY. And who gave you the rest of it?

Mr. DORIA. I think it was Dick Loomis who gave me the rest of it.

Mr. KENNEDY. He gave you \$4,600 in cash?

Mr. DORIA. Yes, sir; I think that is the amount. I am not sure of that part of the transaction, because in this I had \$25,000 of my own money to make up the total of \$30,000.

Mr. KENNEDY. We are talking about you cashing the check, and I am not interested in what you ultimately invested.

Mr. DORIA. All I can tell you is what I remember, and beyond that I can't go.

Mr. KENNEDY. I don't expect you to. You got \$5,000 from Earl Heaton and \$4,000 in cash—four-thousand-odd dollars in cash—from Dick Loomis.

Mr. DORIA. It is not that simple. You can talk about him, because I know what Heaton put in. He and I together put in \$30,000, and I put in 25, but I can't say the same thing about Loomis.

Mr. KENNEDY. I am not asking about how much he invested. I am asking about this one transaction, when the check was cashed, and where did you get the money.

Mr. DORIA. Five thousand dollars of the money came from Heaton, and I believe, and I don't know what other cash transaction there might have been there, but I believe the total amount——

Mr. KENNEDY. You said Loomis gave it to you, Mr. Doria. Now tell the truth. Where did you get the money?

Mr. DORIA. How do you want me to do? Do you want to tell me what to say, Mr. Kennedy?

Mr. KENNEDY. You tell me where you got the money.

Mr. DORIA. I told you that \$5,000 came from Earl Heaton.

Mr. KENNEDY. That is right.

Mr. DORIA. But I am trying to explain to you, and which is very pertinent, that this was a total of the entire deposit made that day in international procurement enterprises. Whether the total of \$4,620 came from Loomis or in that was involved part of my \$25,000, I don't remember.

Mr. KENNEDY. Do you think that you put cash in yours, then?

Mr. DORIA. No; I put in checks, too.

Mr. KENNEDY. Where did the \$4,600 in cash come from? From you, or from Loomis?

Mr. DORIA. Am I talking to nobody? I said that the \$5,000 came from Heaton, and that the \$4,620—

Mr. KENNEDY. That is what I am interested in.

Mr. DORIA. Could have come partly from my \$25,000, and partly from Loomis, or possibly all from Loomis. I do not recall that.

Mr. KENNEDY. Then you say that part of the \$4,600, you now testify part of that might have been your own money; is that right?

Mr. DORIA. I don't know.

Mr. KENNEDY. This didn't happen that long ago.

Mr. DORIA. It certainly did.

Mr. KENNEDY. When you were telling Senator Mundt about the conversation that you had about Dave Dubinsky, you remembered every detail of that.

Mr. DORIA. I will never forget that one as long as I live.

Mr. KENNEDY. It seems to me that you can remember some things really down to the most minute detail, but when it comes to transactions as to how you handled the funds of the union, you have a very bad memory.

Mr. DORIA. When I am stimulated, yes, on something, I can remember, because it leaves that much more of an impression. But this was nothing but an ordinary business deal, and it wasn't that significant.

Mr. KENNEDY. Are there any records in the union that show what happened to this money; any records at all?

Mr. DORIA. I don't know that. I have been out of the union since March.

Mr. KENNEDY. Mr. Bellino, will you come around, please?

The CHAIRMAN. Mr. Doria, you may remain seated for a moment.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BELLINO. I do.

The CHAIRMAN. Be seated.

TESTIMONY OF CARMINE S. BELLINO

The CHAIRMAN. State your name, your place of residence, and your present business or occupation.

Mr. BELLINO. Carmine S. Bellino, Bethesda, Md., certified public accountant.

The CHAIRMAN. How long have you been working for this committee?

Mr. BELLINO. Since the inception in March of this year.

The CHAIRMAN. And how long had you worked for the Senate Permanent Investigating Subcommittee?

Mr. BELLINO. Since 1947.

The CHAIRMAN. All right. proceed.

Mr. KENNEDY. Now, Mr. Bellino, you have made a study of certain of the locals that became defunct in the UAW-AFL?—and what happened to certain of the funds?

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. Now, I want to direct your attention, particularly and specifically right now, to local 790.

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. Of the UAW in Connecticut.

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. Now, there was a bond whose face value was \$10,000.

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. Can you trace for the committee or tell the committee what happened to that bond?

Mr. BELLINO. The bond which was payable——

Mr. KENNEDY. What year was this?

Mr. BELLINO. It was purchased in September of 1943.

Mr. KENNEDY. And the local went out of existence?

Mr. BELLINO. In 1951.

Mr. KENNEDY. What happened to the bond?

Mr. BELLINO. The bonds were turned over to the international office, and in November 1954, a cashier's check was purchased by Anthony Doria and the bond was endorsed, "Local 790, Anthony Doria, secretary-treasurer of the international union," and he received the cashier's check in the amount of \$9,620, which check was part of the deposit in the International Procurement Enterprises of some thirty-four-thousand-and-some-odd dollars.

Mr. KENNEDY. Now, from a review of the records of the international that you have made personally, or people under your direction have made, is there anything or any place at all in those records which show anything about this transaction or that the union ever got this money?

Mr. BELLINO. No, sir; there is no record of the money ever coming into the union and no record of the moneys that were subsequently disbursed either in cash or any other way, as Mr. Doria claims.

Mr. KENNEDY. So, based on a review of the records of the local, the one that went defunct, plus a review of the records of the international, it would appear that this bond was taken from the local and was deposited or cashed and the money was deposited in a business enterprise in which Mr. Doria had an interest.

Mr. BELLINO. The funds were so deposited; yes, sir. I might further explain that the cash-reserve fund that Mr. Doria talks about, is the desk drawer in his office where I understand he kept this cash from defunct locals.

There is no such account for the defunct locals such as the cash reserve as he testified.

Mr. KENNEDY. There is absolutely no record available showing that this money was ever made available to the international?

Mr. BELLINO. That is correct.

The CHAIRMAN. Is there any record to show that they had this cash account as a separate account?

Mr. BELLINO. No, sir; not insofar as these bonds are concerned. They did have a cash-reserve account whereby they would make journal entries, just journal entries for possible cash advances, or revolving funds, and it would all go together.

The CHAIRMAN. Did you find any record of the bond ever becoming the property of the union?

Mr. BELLINO. No, sir.

The CHAIRMAN. There is no record that it came in from the local?

Mr. BELLINO. No, sir; nothing but the letter transmitting the bonds. We might find some of those, a letter of that nature.

The CHAIRMAN. Was it carried as an asset of the union, of the international?

Mr. BELLINO. No, sir.

The CHAIRMAN. Was it carried in any of its financial reports?

Mr. BELLINO. It does not appear in any of the accountants' statements which we have and I might further say that the records in 1954, a good number of them are missing. The files appear to have been stripped and some of the pertinent documents are gone.

Senator MUNDT. How about the first bond? You head Mr. Doria's description of the separate bank account established in Milwaukee to pay the lease of the building.

Did you find evidence to verify that?

Mr. BELLINO. We subpoenaed all of the bank accounts in Milwaukee, and I do not recall seeing such a bank account.

Senator MUNDT. Did you find any evidence at all of this lease transaction which he described?

Mr. BELLINO. No, sir. We talked, I believe, to the representatives of those locals and none of them as yet mentioned such a transaction. We don't know whether that could be true or not.

Senator MUNDT. Nobody up in Connecticut verified the fact that they did have a union hall?

Mr. BELLINO. They didn't tell us about that at any rate. Now, maybe we didn't know enough to ask them.

Senator MUNDT. You had not heard that explanation up to today?

Mr. BELLINO. That's right.

Mr. KENNEDY. We have the bond here somewhere.

Mr. BELLINO. It is right there.

Mr. KENNEDY. Let me ask you, what would be the proper procedure on handling this kind of a transaction?

Mr. BELLINO. The proper procedure on receiving bonds in the first place would have been to set it up at least through a journal entry as an asset of the union. It was turned over to the union and it became funds of the union and then it should have been set up as an asset and shown as "funds from defunct locals."

Mr. KENNEDY. From your experience, how would you describe the way that this matter was handled?

Mr. BELLINO. I would say it is very, very bad way of handling it.

Mr. KENNEDY. And improper?

Mr. BELLINO. It would be improper.

Mr. KENNEDY. Do you have the bond?

Mr. BELLINO. It is a \$10,000 bond dated September 1943, registered in the name of the United Automobile Workers, Local 110, American Federation of Labor, 31 State Street, Meriden, Conn.

That is endorsed by Anthony Doria, signed, "United Automobile Workers, Local 110, American Federation of Labor, Unincorporated, an Association, by Anthony Doria, Secretary."

In other words, it is secretary of this local.

Mr. KENNEDY. He endorsed the bonds as secretary of that local?

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. And was he secretary of that local?

Mr. BELLINO. No, sir.

Mr. KENNEDY. Now, you have the check, and the check was deposited, and do you have the deposit slip?

The CHAIRMAN. That photostatic copy of the bond may be made exhibit No. 84.

(The document referred to was marked "Exhibit No. 84" for reference and may be found in the files of the select committee.)

Mr. BELLINO. The deposit ticket is on the Bank of America, a new account, in the name of the International Procurement Enterprises, 1300 Airway, Greendale, Calif., dated January 24, 1955, and the total amount is \$34,620, and there are 6 checks listed, among which is one shown as 90-1221, which is the Bank of California, in the amount of \$9,620.

The CHAIRMAN. That deposit slip may be made exhibit No. 85.

(The document referred to was marked "Exhibit No. 85" for reference and will be found in the appendix on p. 4477.)

Mr. KENNEDY. Are there any further questions?

The CHAIRMAN. You may stand aside.

TESTIMONY OF ANTHONY DORIA—Resumed

Mr. DORIA. May I comment on that, on evidence just given by Mr. Bellino?

The CHAIRMAN. You may comment briefly and the Chair is going to recess it pretty quickly for the night.

Mr. DORIA. I would like to clear this. I would like to bring out, No. 1, that if there was a cashier's check involved it was not a purchase but it was the payment for the bond, given in cashier's check form by the bank. It was not an asset of the international union under the construction that had always been given by the board and could not be solicited because of the fact that unless specific action had been taken to make it an asset we were not permitted to list it as an asset.

The CHAIRMAN. On that point, your constitution says that it is. The board does not have to take any action to make it an asset.

Mr. DORIA. The board should interpret the constitution that way and did for 20 years and that was the practice.

The CHAIRMAN. That is an interpretation, I may say, for somebody's convenience because the constitution says otherwise.

Mr. DORIA. Regardless of what it was——

The CHAIRMAN. The constitution does not read that way.

Mr. DORIA. You still have not gone back to the section where—I could not tell you by section what it is—on what happened to the funds of defunct local unions.

The CHAIRMAN. It says: "They shall become and remain the property of the international union," and it does not say the board takes any action whatsoever.

Mr. DORIA. There is a conflict in that constitution, how it is to become the property of the international union.

Mr. KENNEDY. Is there anything in the constitution that says you can't set this up at all, and can't have any books or records at all on this money coming in?

Mr. DORIA. We couldn't because of the fact it could not be made an asset of the international union, and it could not be incorporated.

Mr. KENNEDY. Mr. Doria—

Mr. DORIA. Yes, sir.

Mr. KENNEDY. That does not make any sense.

Mr. DORIA. What doesn't make any sense? To me, who worked with it for 20 years—

Mr. KENNEDY. If you get \$10,000 the only thing you are allowed to do is stick it in your drawer?

Mr. DORIA. We are holding it for the international union.

Mr. KENNEDY. You, a great friend of Johnny Dio and with equal trust in him as you have in yourself, take the \$10,000 and the only thing you think you can do is stick it in your drawer. That just does not make any sense.

Mr. DORIA. Heaton was the one, under the constitution, who supervised all of the expenditures of the international union.

The CHAIRMAN. You were a trustee as secretary-treasurer, and a direct trustee.

Mr. DORIA. And he could spend it all tomorrow.

The CHAIRMAN. He could not unless he could get it away from you.

Mr. DORIA. But he could tell me, and I could be subject to being expelled from the union by not complying with that request between board meetings. I think you gentlemen are forgetting that we also have rules to go by in our union.

The CHAIRMAN. Some of them are not very much in the way of rules.

Mr. DORIA. I can't help that, but the people voted it. Just because the laws are not good—

The CHAIRMAN. Under the leadership of such leaders that wanted them that way.

Mr. DORIA. I wouldn't say that because the people I think voiced their own opinions.

Now, the lease transaction that Mr. Bellino says there is no record of, I think can be determined by checking the records of either the City Bank & Trust Co., or the First Wisconsin National Bank, where you will find an account under the listing of Lester Washburn, that disbursed the funds of the first bond. Those were disbursed by check since they had to be sent to Meriden.

Mr. KENNEDY. Mr. Bellino did not say there was not such a fund. He said he was not aware of it.

Mr. DORIA. In the event the committee wants to verify it they can do that.

Mr. KENNEDY. That is fine.

Mr. DORIA. He says the standards under which we kept our accounting were very bad. When I started in the international union, I want to point out that they never even had a ledger. I took over the entire funds of this international union in a small tin box, \$1,687.

Mr. KENNEDY. In what year?

Mr. DORIA. 1943 and later by these bad methods, we got up to \$1½ million instead of being defunct.

Now, the endorsement as secretary on the bond is not a local union endorsement. The endorsement as "secretary" came by virtue of the fact that the bond was under administratorship upon the local 110 becoming defunct. As a result, the administratorship accrued to the president. It was under the instruction of the president, as administrator for the fund, that I signed that bond. I did not sign as a local union treasurer at all.

Mr. KENNEDY. You ended with the money.

Mr. DORIA. What is that?

Mr. KENNEDY. You ended up with the money.

Mr. DORIA. What do you mean? I ended up with all of the money of the international, I was treasurer.

Mr. KENNEDY. Speaking of that, they had a banquet last week and they couldn't even pay the bill.

Mr. DORIA. I left 6 months ago, and they were broke when I started and they were 6 months after I left, and I think it speaks for my administration rather than against it.

Also, let me say this, that in the entries, upon closing the accounts that I submitted to the international union, as recently as July 29 the balance from the fund of that bond was \$210.90 in cash reserve fund No. 2. They are in the hands of the auditors now and when the accounts were to be closed out, these were ones that could not be completed and I was there.

I could give you much more on that if we start this hearing again tomorrow. I think everybody is anxious to leave and I don't want to hold it up. I have had my share.

The CHAIRMAN. The Chair hands you a subpoena and you may accept and comply with it in the morning, if you can.

Let the record show that the Chair passes him this subpoena and the return will be made.

Mr. DORIA. Mr. Chairman, may I state I have access to no records other than what I have here. You are welcome to these.

The CHAIRMAN. You will have to answer to that. If you have them, we want them. You may not have them here right now, but if you have them in your possession at any time we will want them.

All right, the committee will stand in recess until 10 o'clock tomorrow morning.

(Whereupon, at 5:45 p. m., the hearing in the above-entitled matter was recessed to reconvene at 10 a. m., on the following day.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

TUESDAY, AUGUST 13, 1957

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE
LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senators John L. McClellan, Democrat, Arkansas; Irving M. Ives, Republican, New York; Sam J. Ervin, Jr., Democrat, North Carolina; Pat McNamara, Democrat, Michigan; Karl E. Mundt, Republican, South Dakota; Barry Goldwater, Republican, Arizona; Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, chief assistant counsel; Paul J. Tierney, assistant counsel; Walter R. May, assistant counsel; Robert E. Dunne, assistant counsel; Carmine S. Bellino, accounting consultant; Frank C. Lloyd, investigator; Ruth Young Watt, chief clerk.

(Members present at the convening of the session: Senators McClellan, Ives, and Goldwater.)

The CHAIRMAN. The committee will be in order.

TESTIMONY OF ANTHONY DORIA—Resumed

Mr. KENNEDY. Yesterday, when we were closing, we were talking about a bond from local No. 790, in Meriden, Conn., Mr. Doria.

Mr. DORIA. Yes, sir.

Mr. KENNEDY. Now, you stated, as I understand it, that Mr. Heaton came into the office with \$5,000 and Mr. Loomis came in with some money.

Mr. DORIA. Well, yes. Mr. Heaton had \$5,000 that was part of the loan that he made to Loomis, for a total of \$30,000, which I made, and then Loomis had his own funds in that.

Mr. KENNEDY. Did they just happen to arrive at the office with this money, and you put the money in your drawer and exchanged the check for it?

Mr. DORIA. We were meeting in the office for the purpose of making the loan to Loomis, and it was during the same time that we held the check on the bond.

Mr. KENNEDY. Did Mr. Heaton just happen to have \$5,000?

Mr. DORIA. No. He had \$5,000 there for the purpose of the agreement we made to loan Loomis \$30,000, to start this photogrammetry.

Mr. KENNEDY. What occurred?

Mr. DORIA. What occurred was that instead of going to the bank and cashing the check and putting in the cash and taking this cash and going to the other bank and opening up a deposit, what we did was put the cash into the cash fund and made 1 deposit and made only 1 trip. The difference was this: One of the banks where we banked is in Beverly Hills. The bank where this had to be banked for international procurement is in downtown Los Angeles, a good 45-minute ride. Instead of making them both, by this transaction we made only one trip.

Mr. KENNEDY. That was about 3 weeks later, was it not, or was it on the same day?

Mr. DORIA. The exchange took place on the same day.

Mr. KENNEDY. Tell me this: Was there another bond at the same time that you cashed?

Mr. DORIA. There were bonds of local 110 and local 790.

Mr. KENNEDY. What did you do with the bond of local 110?

Mr. DORIA. Well, I think that is what we have been talking about.

Mr. KENNEDY. What about 790, what did you do with that bond?

Mr. DORIA. That was also in cash and it was cashed, and put in the cash reserves, cash reserve account No. 2, I believe it was.

Mr. KENNEDY. Will you explain what happened on that bond? That was, again, a local in Meriden, Conn., that was defunct in 1951 and you kept the bond until when?

Mr. DORIA. Any of those bonds that we are talking about were cashed. Those funds went into the cash fund of the international union.

Mr. KENNEDY. Wait a minute. The cash fund of the international union; meaning your desk drawer?

Mr. DORIA. Not my desk drawer.

Mr. KENNEDY. I thought that is what you said you did with the money—you put this in a little box in your drawer.

Mr. DORIA. Not in my drawer; no.

Mr. KENNEDY. What is that?

Mr. DORIA. That was Mr. Bellino's testimony.

Mr. KENNEDY. Where was the box, then?

Mr. DORIA. What is that?

Mr. KENNEDY. Where was the box?

Mr. DORIA. I kept it in the office.

Mr. KENNEDY. Where did you keep it, if you did not keep it in your drawer?

Mr. DORIA. I kept it in another room, right next to my office.

Mr. KENNEDY. I thought you said you kept it in your office.

Mr. DORIA. That was my whole suite.

Mr. KENNEDY. Where did you keep it?

Mr. DORIA. I have two rooms.

Mr. KENNEDY. Where did you keep it in the other room?

Mr. DORIA. What is that?

Mr. KENNEDY. You heard me.

Mr. DORIA. I did not hear you.

Mr. KENNEDY. Where did you keep it in the other room?

Mr. DORIA. There is one thing we have got to do. We have got to start clicking the cameras or talk, one or the other, and I can't get through to you.

If you want to take pictures, I have no objection to pictures, but we ought to finish one and then do the other.

The CHAIRMAN. A request is sufficient without a lecture to the committee.

You gentlemen with your cameras, now, be careful and do not interrupt.

Mr. DORIA. I don't mind the cameras.

The CHAIRMAN. Does the witness prefer to have no pictures taken?

Mr. DORIA. I don't object to it, Mr. McClellan.

The CHAIRMAN. All right.

Mr. DORIA. As long as we don't have this clicking at the same moment a question is coming through, and I can't break through.

The CHAIRMAN. We will proceed.

Mr. KENNEDY. What did you do with this money?

Mr. DORIA. I kept it in a cashbox we had specially for the money, in one of the rooms right adjoining my own private office.

Mr. KENNEDY. Whereabouts in that room?

Mr. DORIA. Right to the left as I sit at my desk, within the suite I had.

Mr. KENNEDY. In the room right next to yours?

Mr. DORIA. You were in my office, and it was as you entered.

Mr. KENNEDY. And where the secretary is?

Mr. DORIA. No, in the room to your left as you entered my office.

Mr. KENNEDY. It was in a little box there?

Mr. DORIA. That is right.

Mr. KENNEDY. And where was the box kept?

Mr. DORIA. It was kept in a special shelf that was made for it.

Mr. KENNEDY. A special shelf was made for the box with the money?

Mr. DORIA. It wasn't made for that, but it was used for that.

Mr. KENNEDY. And you just stuck the box up there on the shelf and put the money in, and put the \$10,000 in and stuck it up on the shelf?

Mr. DORIA. It was not so it could be easily seen, believe me.

Mr. KENNEDY. You hid it?

Mr. DORIA. We had a robbery and no one touched it.

Mr. KENNEDY. Did you hide it?

Mr. DORIA. Yes, sir.

Mr. KENNEDY. How did you hide it?

Mr. DORIA. I hid it as best as I could, under the circumstances there, of where I was placing it. It was not a logical spot for anybody to look for a cashbox.

Mr. KENNEDY. Describe just how you hid it; would you?

Mr. DORIA. I hid it with papers.

Mr. KENNEDY. You put paper on top of the box?

Mr. DORIA. On a shelf; that is right. It was a very easy and accessible thing, but it would never be looked for.

Mr. KENNEDY. It was just a box with tens of thousands of dollars in it?

Mr. DORIA. Not tens of thousands of dollars. There were never tens of thousands. Where do we have testimony about it?

Mr. KENNEDY. I will tell you where you got \$10,000. I will tell you right here, with these 2 defunct locals and there were approximately 100 defunct locals and you had one of \$9,620.

Mr. DORIA. There was no cash of 100 defunct locals that I ever handled.

Mr. KENNEDY. Just discuss two that we know about—\$9,620 and \$4,727 makes a total of about \$13,000 or \$14,000 in cash?

Mr. DORIA. That is right.

Mr. KENNEDY. Now you stuck this in the box?

Mr. DORIA. That is right.

Mr. KENNEDY. And you went into your office room and put it on a shelf and put papers over it; is that right?

Mr. DORIA. No; there was a shelf there where we would keep it.

Mr. KENNEDY. How high is the shelf?

Mr. DORIA. I would say about, to me, elbow height, as I stand.

Mr. KENNEDY. You just walked in there and you got a little box. Was it a little tin box?

Mr. DORIA. No; it was a pretty heavy box.

Mr. KENNEDY. A wooden box?

Mr. DORIA. Not a wooden box, no; it was a fireproof box.

Mr. KENNEDY. And then you put the box there and you put papers over it, or what?

Mr. DORIA. No, I put regular papers around it.

Mr. KENNEDY. All around it, on both sides of it?

Mr. DORIA. Mr. Kennedy, I can't describe to you that I took—

Mr. KENNEDY. I think it is very interesting as to what happened to the cash. I am just trying to get a description.

Mr. DORIA. We are not going to find out what happened to the cash by discussing the way the box was hidden. I think you know that as well as I, because whether it was in a box or not the cash could have been disposed of. I think we all will agree with that.

The CHAIRMAN. Let us get down to the issue here, or the facts, and just answer the questions.

Ask the questions now.

Mr. KENNEDY. Tell us just where the box was?

Mr. DORIA. In the room to the left of my office, as I sat at my desk. You entered that office and it was to your left as you entered it, and you would not have even gone in the room and you wouldn't have known there was a room.

Mr. KENNEDY. Did anybody know the box was there?

Mr. DORIA. Nobody knew besides me and Heaton.

Mr. KENNEDY. And the secretary?

Mr. DORIA. The secretary never knew anything about it.

Mr. KENNEDY. Only you and Heaton knew the box was there?

Mr. DORIA. Yes, sir.

Mr. KENNEDY. And only you and Heaton knew what was in the box?

Mr. DORIA. That is right.

Mr. KENNEDY. And you just hid it with all of these papers so that nobody would see it?

Mr. DORIA. Not a lot of paper; it was a very simple thing to do.

Mr. KENNEDY. What if you needed some of the papers to do work with?

Mr. DORIA. Those are not the type of papers that we used. We didn't use those papers to do work with.

Mr. KENNEDY. They were not working papers?

Mr. DORIA. No.

Mr. KENNEDY. Just old papers that you had?

Mr. DORIA. Things that were not used; that is right.

Mr. KENNEDY. How much, exactly, was in it at all times? Did you keep any books or records?

Mr. DORIA. We kept a record right in the box, as I testified.

Mr. KENNEDY. Do you have that record?

Mr. DORIA. No; I do not have that record.

Mr. KENNEDY. What happened to that record?

Mr. DORIA. That record is over a year and a half old now, and it was with the records of the international union. As I testified yesterday, at the time the United Automobile Workers name was changed to the Allied Industrial Workers, we were destroying many of the records, and whether that record was destroyed along with those, I don't know, but I do not have the record.

Mr. KENNEDY. Who would know, other than you and Heaton? You were the only ones that knew you had all of this money?

Mr. DORIA. That is right. But once the records were completed and chargeoffs were made on that——

Mr. KENNEDY. There wasn't any chargeoff to be made.

Mr. DORIA. Yes; every time there was an expenditure there was a chargeoff.

Mr. KENNEDY. That was just put in your little note, and stuck back in the box?

Mr. DORIA. It was just a debit and credit column, showing the amount of money that you start with, and the entries of every amount of cash that went in there, and the entries showing the cash disbursements from it.

The CHAIRMAN. That record, the only record you kept of it, was kept and placed in the box with the money?

Mr. DORIA. That is right.

The CHAIRMAN. As you put money in, you entered it on whatever record you kept in there? And as you took money out, you entered it there?

Mr. DORIA. That is correct.

The CHAIRMAN. Is that your testimony?

Mr. DORIA. That is right.

The CHAIRMAN. But no one knew about that record, and no one knew about the money?

Mr. DORIA. Heaton and I both knew about it.

The CHAIRMAN. Except you two?

Mr. DORIA. That is all the constitution provided.

The CHAIRMAN. All right. Getting back to the constitution now; this is a lame constitution, I would call it, if that is all you required.

Mr. DORIA. You had better see the members on that, because they made it.

The CHAIRMAN. I am saying it to you.

Mr. DORIA. I know, but the members made the constitution.

The CHAIRMAN. And you kept no other record of it, and no one knew about it, and there has never been an accounting of that money to your union, has there?

Mr. DORIA. Yes; there has been an accounting to the people I was supposed to make it to, which was Heaton. If you will read the constitution, you will find he was authorized to make the expenditure.

The CHAIRMAN. I do not care about your lame constitution; I am asking you questions for an answer. It is not to lecture me on your constitution.

Mr. DORIA. Mr. McClellan, the lame constitution you refer to was the only regulation I could go by, and I didn't make it.

The CHAIRMAN. You could go by a sense of obligation to your members, and a duty you owed to them, whether you had a constitution or not. Now, whatever kind of constitution you had, I think they were entitled to an accounting. They were entitled, first, to know that the money was there, and they were entitled to an accounting of its expenditure. According to you, that was never made, because you said the constitution did not require it. I am pointing out to you, notwithstanding a constitution or lack of constitution, there is a moral obligation to account to these union members for their dues and for their money. All right; proceed.

(At this point, Senator Curtis entered the hearing room.)

(At this point, Senator Ives withdrew from the hearing room.)

Mr. DORIA. Before we proceed, may I again point out, Mr. McClellan, that the constitution that we went by I had to comply with. There was no object in me instituting more closely procedures than the membership would accept. Let us not forget that in granting a constitution the membership also binds itself with respect to all of the local unions——

The CHAIRMAN. Just a moment.

Mr. DORIA. To go along with that.

The CHAIRMAN. You know that is plain silly.

Mr. DORIA. It is not plain silly.

The CHAIRMAN. Everybody else knows it. Proceed.

Mr. DORIA. I don't know it is silly.

Senator GOLDWATER. I think we can clear a point up here relative to the constitution. Did you ever consider the money that came in from these defunct unions or locals as union funds?

Mr. DORIA. No; not as international union funds.

Senator GOLDWATER. Did you consider them as union property?

Mr. DORIA. Yes; they were general union property, certainly.

Senator GOLDWATER. Now, the constitution, under section 13, I think it is, about the fourth article on page 36, says that you are responsible for all of the union property and you must keep records of it.

Mr. DORIA. And I did, and accounted to the people who were authorized under the constitution to clear those records.

Senator GOLDWATER. Now the constitution, as I remember it, does not say anything about anybody else having authority to make any rules as to what funds are accounted for.

Mr. DORIA. But the constitution did explicitly direct me——

Senator GOLDWATER. Where did it say that?

Mr. DORIA. To see Heaton. Just read the constitution with respect to the approval of expenditures and you will find two things. You will find that between meetings of the board, the highest authority is the international president. You will then find, also under the duties of the president, that the president was the only individual that

was empowered to make approval of expenditures between meetings of the board.

That is all I had to go by.

Senator GOLDWATER. Let us get back to this union fund. Several times yesterday, in response to questions put to you by the counsel, as to whether or not you had ever used union funds for your own personal use, you said, no, you had not. Now, did you consider these funds as union funds?

Mr. DORIA. Certainly I considered these as union funds, and when I say that I did not use them for my personal use at any time I am stating it under oath, contrary to the implications made under immunity here. I am stating again that any of those funds, local union defunct funds, and international funds, were not used for my personal use.

Senator GOLDWATER. Then the funds that were in the little box, hidden up among the papers——

Mr. DORIA. Those were not used for my personal use.

Senator GOLDWATER. Those in your mind were union funds?

Mr. DORIA. And were union property, that is right.

Senator GOLDWATER. Now, as the constitution construed it——

Mr. DORIA. Not union international property, but union property.

Senator GOLDWATER. It was union property?

Mr. DORIA. That is right, under which I was covered by my bond, paid for by my international union, which I imposed upon myself to the extent of \$100,000.

Senator GOLDWATER. Now the constitution says that all profits of a defunct union, or defunct local shall become the property of the international.

Mr. DORIA. Yes, but there was a procedure for that.

Senator GOLDWATER. That is very true, and now the procedure we are following winds up in a little box. What I want to find out is whether or not you considered the money in that box as union property or union funds.

Mr. DORIA. I considered the money in that box as being the property of the defunct local unions under the custodianship of the president and myself.

Senator GOLDWATER. But the constitution did not say that, and I just want you to tell me, Did you consider that as the property of the union, and, as such, did it come under your powers as secretary-treasurer?

Mr. DORIA. It came under my powers as supervising the fund, but as I tried to point out part of the afternoon yesterday, before these funds could actually be transferred into the treasury of the international union it took specific action of the board.

Senator GOLDWATER. Did you ever take that action?

Mr. DORIA. No, to my knowledge I don't remember taking any of that action, because in the 20 years that I served this union that procedure was very much the same at all times. I don't recall any such action.

Senator GOLDWATER. What action did it take to get the money out of that box? You had to get it out sometime, because the box would not hold too much.

Mr. DORIA. It took the approval of Earl Heaton.

Senator GOLDWATER. That is all it took?

Mr. DORIA. That is right.

Senator GOLDWATER. Did he give this often to you?

Mr. DORIA. Well, yes; every time there were expenditures made from it for organizational purposes, or otherwise.

Senator GOLDWATER. That is all.

Senator CURTIS. Who owned this box? Was it your personal property?

Mr. DORIA. The box?

Senator CURTIS. Yes.

Mr. DORIA. Yes; it was.

Senator CURTIS. Where did you buy it?

Mr. DORIA. I don't recall where I bought it. I had it for quite some time and I brought it in from Milwaukee.

Senator CURTIS. How long have you had it?

Mr. DORIA. I don't know how long I had that, I mean how long I did have it, and I haven't got it any more, but I don't know how long I did have it.

Senator CURTIS. How long after this money from this defunct local came into your hands did you bring it to your office.

Mr. DORIA. Did I bring what to my office?

Senator CURTIS. The box.

Mr. DORIA. Well, I had the box with me in my office at the time we moved from Milwaukee.

Senator CURTIS. What did you keep in it?

Mr. DORIA. Why did I keep it?

Senator CURTIS. What did you keep in it?

Mr. DORIA. I don't understand your question.

Senator CURTIS. What did you put in the box?

Mr. DORIA. Money.

Senator CURTIS. Well now, did you have money in there besides this \$9,600 that we are talking about or these items Mr. Kennedy mentioned?

Mr. DORIA. Yes; there were times when if I had to leave in a hurry, because of the fact I did not keep checking accounts to guard myself against suits, which for the last years have been plaguing me as a result of the activities of the smear that I have gotten in the newspapers—many times I would leave my personal money in that box in separate envelopes.

Senator CURTIS. Did you do that at the time that you had this local union money in there?

Mr. DORIA. There might have been some times when that happened; yes.

Senator CURTIS. In other words, you intermingled your own money and this union money in the same box.

Mr. DORIA. Oh, no; I told you I had that in separate envelopes with my own record of my own money. Because if I had gotten killed in an airplane crash during travel, and that box had been opened, I wanted a clear designation of what was mine and what was not.

Senator CURTIS. How many keys did you have for this box?

Mr. DORIA. There were no keys to the box.

Senator CURTIS. It didn't lock?

Mr. DORIA. No. There was a combination on the thing.

Senator CURTIS. How many people knew the combination?

Mr. DORIA. The combination of the box, only I knew the combination of the box.

Senator CURTIS. Mr. Heaton didn't know the combination?

Mr. DORIA. No; he always came to me when he wanted to make disbursements from that fund.

Senator CURTIS. When he wanted to make what?

Mr. DORIA. Make disbursements from the fund, and he came to me.

Senator CURTIS. You made disbursements from this fund?

Mr. DORIA. That's right.

Senator CURTIS. What did you buy with it?

Dr. DORIA. Usually it was used in organizational work, on fast trips where we had no opportunity over weekends for example, to obtain checks, because we never wrote our own checks and we had the clerks write them, and things of that nature.

Senator CURTIS. Well now, when this money came into your hands, what entries did you make in the books?

Mr. DORIA. There were no entries, because as I have explained about half a dozen times or more, those were not considered international properties as such when they came in from a defunct local.

Senator CURTIS. You made no entries in the books?

Mr. DORIA. No; only with respect to the fund in the box and with respect to the funds that came in from the local union, to establish a record in the fund box.

Senator CURTIS. Where was that? On the envelopes?

Mr. DORIA. No. That was on a record that I kept of a debit and credit entry to establish my balances that were current with respect to the account number.

Senator CURTIS. Where is that record now?

Mr. DORIA. I don't know. I left the union in March, and I have no idea where that record is, and it has been 6 months since I have been in the international.

Senator CURTIS. Where is the box?

Mr. DORIA. I don't know where the box is any more, because I used the box when I went down to Arizona, and I had it in my car with some mine papers and the box was lost out in the mountains of Arizona.

Senator CURTIS. What was in it when it was lost?

Mr. DORIA. Nothing very important, just some papers that I had on drawings of a mine mill.

Senator CURTIS. Who was with you when you lost it?

Mr. DORIA. Nobody. I had it in my own car.

Senator CURTIS. Was your car moving when it fell out?

Mr. DORIA. I didn't say it fell out of the car. We had a lot of equipment and we had an accident, that wrecked a lot of mine equipment. We were out there, and we were working with it, and the box simply disappeared, and whether somebody picked it up or what happened to it, I don't know.

Senator CURTIS. Now, did it have any money in it at that time?

Mr. DORIA. No; there was no cash. As I told you, all it had was some drawings on the erection of our mine mill.

Senator CURTIS. Did it have any name or identification?

Mr. DORIA. No; the box never had any identification.

Senator CURTIS. And the contents didn't either?

Mr. DORIA. The contents were not that important, because all it was was sketches of a mine mill, a processing mill for a mine.

Senator CURTIS. Well now, in reference to the ownership of this money, would this be a correct statement: That the money belonged to the local union, but when they went out of business, the international was custodian of it, but not the owner in the sense that its regular funds belonged to it.

Mr. DORIA. It would not be a correct statement. What we construed those funds to be in the 20 years that I was with the union was if the local union became defunct with no opportunity of rehabilitating the local union, the funds were then held as an administrator, under administratorship of the president of the international union. Those funds then were subject to disbursements. As I pointed out yesterday, when that happened in a geographical area, where we had a director, in many, many instances, and in the majority of instances, those were turned over to that area for organizational work in that area. When they came into the international union, they were used for disbursement out of the international office.

That was the practice that I found, that continued throughout my entire administration as secretary-treasurer.

Senator CURTIS. During your administration as secretary-treasurer, were organizational expenditures usually made in cash?

Mr. DORIA. There are a lot of organizational expenditures made in cash; yes.

Senator CURTIS. About how much would those expenditures run in a year's time?

Mr. DORIA. It all depends upon the nature of the activity. They have run sometimes as high as \$50,000 and \$60,000 in 8 weeks.

Senator CURTIS. And what record would be kept of those cash expenditures?

Mr. DORIA. The record would be kept, if the expenditures were all made in cash; the record would be in that fund. In other words, every time there was a disbursement, if it applied to a particular organizational drive, or whatever the case may be, it would be recorded.

In other words, so much was taken out for organizational work, say air products corporation, so many dollars.

Senator CURTIS. In other words, the only records in the book would be for lump sums, and then identified with a particular organizational drive; is that correct?

Mr. DORIA. They would be for lump sums on the basis of the so-called sporadic instances when they would be taken from the fund.

Senator CURTIS. Well now, coming back to this box that had this local union-money funds in it, and also from time to time some of your own, I want you to tell me what was the largest amount of money that you ever had in that box?

Mr. DORIA. I don't recall.

Senator CURTIS. At any one time.

Mr. DORIA. I don't recall.

Senator CURTIS. Give me an estimate.

Mr. DORIA. I would be guessing, and we are only going to get into another lengthy discussion if I make a guess and don't hit it.

Senator CURTIS. What was the smallest amount you ever had?

Mr. DORIA. The smallest amount we had in it was, naturally, nothing.

Senator CURTIS. About when was that?

Mr. DORIA. Well, when the accounts were closed out specifically, I can definitely vouch for the fact there was nothing in there.

Senator CURTIS. Now, can you give me the name of any person or persons who received money out of that box?

Mr. DORIA. No; I cannot.

Senator CURTIS. That is all.

The CHAIRMAN. May I ask you this question: Surely, you will be able to give us some estimate. I would not expect you possibly to know the exact amount, but, say since 1950, how many thousands of dollars from defunct unions and other sources of money that you received did you place into that box over that period of time? How many thousands of dollars would you have put in there and disbursed in the manner you have been testifying about?

Mr. DORIA. I don't think that I could make a guess on that, Senator.

The CHAIRMAN. A hundred thousand dollars?

Mr. DORIA. No; definitely not.

The CHAIRMAN. Fifty thousand dollars?

Mr. DORIA. No; I don't know whether it would approximate \$50,000 or not. The only figure that I ever had that might give an indication is that the cash disbursements that were made from funds such as these I think were below eight-tenths of 1 percent of the disbursements of the international union.

The CHAIRMAN. That is a kind of a problem in mathematics.

Mr. KENNEDY. Is it \$80,000 a year?

Mr. DORIA. I don't think there was \$80,000 in the whole thing. One of the considerations was this: Throughout my administration as secretary-treasurer, if we had established an auditing system for those funds I computed that the clerk and the auditor necessary to supervise those would have cost the union \$250,000.

Let us not laugh about it. I can give it to you in figures.

Mr. KENNEDY. Mr. Doria—

Mr. DORIA. Take some figures down, and I will not carry it beyond eighth-grade arithmetic and establish it for you.

The CHAIRMAN. It is too ridiculous even to pay attention to.

Let us proceed. Ask the questions.

Mr. DORIA. If it is going to be ridiculous, I would suggest that we not ask the questions.

The CHAIRMAN. It would not cost \$250,000 to audit a little money in a box.

Mr. DORIA. Over the period I was secretary-treasurer; yes. I was secretary-treasurer since 1944.

Senator CURTIS. How much money went through that box that it would take \$250,000 to audit?

Mr. DORIA. Not to audit that box, but there would be no object in auditing that box without auditing the sources, and the minute you audit the sources you have got a traveling auditor, and when you have a traveling auditor you need a clerk, and just take the salaries of the two over the period since 1944 and see if you come up with any other answer.

Senator CURTIS. Well—

Mr. DORIA. You would have to do that, because if I had come before this committee and said, "Gentlemen, I only audited \$40,000 or \$50,000 in a period of 15 years," you would say, "Doria, if you had enough intelligence to audit it for 14 years, the \$50,000 that you may have spent, how come you didn't finish the rest of it?" I would have been in the same position.

Senator CURTIS. I want to read you something from your own constitution. This is from section 12:

All expenditures shall be made by checks countersigned by the president when the latter is satisfied of the correctness.

Section 13:

The international secretary-treasurer shall be the custodian of funds of the international union, and at the direction of the international executive board shall deposit all funds of the international union in some responsible bank or banks.

Mr. DORIA. What does that refer to, Senator?

Senator CURTIS. That refers to the funds of the international union.

Mr. DORIA. The operating funds of the international union?

Senator CURTIS. It doesn't say anything about that.

Mr. DORIA. And that is the way they were handled.

Senator CURTIS. It doesn't say anything about the operating fund.

Mr. DORIA. The funds we are talking about this morning are not in that category and I am repeating that now for about the 20th time.

Senator CURTIS. The defunct locals' funds are the funds of the international.

Mr. DORIA. Then the board should have interpreted the constitution differently, because I had to depend upon the interpretations of the board and not upon the ideas of any outsiders. That is what bound me. And the board never interpreted it that way.

The funds of the defunct local unions, in most instances, practically without exception, were expended directly and sometimes even by the geographical area where the defunct local was present.

Senator CURTIS. I still contend that if there was money in and out of this box, the extent to which it would require \$250,000 to audit, including auditing its sources, that that is so fantastic that you owe it to those union members and to this committee to disclose the total amount of money that went through that box.

Mr. DORIA. Those approvals, Senator, were made the way I was authorized to seek approvals under the constitution of this union, and that merely required the approval of the administrator, the president. There was no other requirement.

Senator CURTIS. You are talking about something else.

Mr. DORIA. I am not talking about anything else.

Senator CURTIS. But any transaction, even if you trace it back to your sources, if it requires \$250,000 to audit it, it is bigger money than you have disclosed here.

Mr. DORIA. Certainly, it is bigger money than is involved.

Senator CURTIS. Well, how much is involved?

Mr. DORIA. I don't think that you will come out with all of the figures, and I have made no attempt to get them, but I don't think that you will hit \$50,000 in the entire 1944 to 1957, in the entire 13 years that I was secretary-treasurer.

Senator CURTIS. A sum total of \$50,000?

Mr. DORIA. I don't believe that you will, and I have never computed it, and that is why I hesitate to get into totals.

Senator CURTIS. And it would cost 5 to 1 to audit it.

Mr. DORIA. Because of auditing the sources. The thing that is forgotten before this committee is that this was a new union, and the completion of the auditing system and of the accounting system would not have been completed until sometime in 1958. You couldn't change every day, because every time you changed the system of keeping records you had to change the printing of the records that went to the local unions, and the last time we attempted that merely to bring about 1 change, it cost in excess of \$50,000.

I also want to point out to you that when I went into the convention in 1955 and attempted to bring about a system of auditing and asked the delegates to adopt it, if you will check the proceedings of that convention the delegates were so against it that they practically defeated me for office for suggesting the idea.

Senator CURTIS. All right. That is all. We don't get any answers, Mr. Chairman.

Mr. KENNEDY. Mr. Doria, just if you could answer this briefly: How much more would it have cost the union to put this money in a bank rather than in your box?

Mr. DORIA. It isn't the cost. That was a matter of procedure that had been established, and that was not the cost that determined the idea of separating those funds. It was the procedure that had been established.

Mr. KENNEDY. Could you answer the question?

Mr. DORIA. To me, there would have been no cost involved.

Mr. KENNEDY. Thank you. Now, you were responsible to Mr. Heaton, and now Mr. Heaton and you were both interested in this International Procurement Enterprises, with Mr. Loomis, about January of 1955?

Mr. DORIA. No; that is not a true statement.

Mr. KENNEDY. Well, let me rephrase it. You both loaned money to Mr. Loomis?

Mr. DORIA. Yes.

Mr. KENNEDY. In connection with the International Procurement?

Mr. DORIA. Yes, sir.

Mr. KENNEDY. You came up with some money, and you came up with this check for \$9,620, which happened to be the same check that came out of this local in Meriden, Conn., and, at the same time this other local's bonds were cashed, amounting to \$4,727 in cash, and Mr. Heaton came up with \$5,000 in cash at the same time. Do you know where he got his \$5,000 in cash?

Mr. DORIA. That was his money, and I didn't ask him where he got his \$5,000.

Mr. KENNEDY. He didn't get that \$5,000 in cash out of the box?

Mr. DORIA. No, because all of the funds that went into this were cash funds.

Mr. KENNEDY. It was just a coincidence that this happened?

Mr. DORIA. There was no coincidence to it. Heaton came up with \$5,000 because he wanted to have a future interest in a photogrammetry company, had it been developed.

Mr. KENNEDY. He happened to come up with \$5,000 in cash.

Mr. DORIA. He didn't happen to come up with it. He had \$5,000 of his own money.

Mr. KENNEDY. Could we put Mr. Bellino on, just to trace this bond?

The CHAIRMAN. All right; Mr. Bellino, take the stand.

TESTIMONY OF CARMINE S. BELLINO—Resumed

The CHAIRMAN. Mr. Bellino, you were sworn yesterday, and proceed with your testimony. What bond are you talking about now?

Mr. BELLINO. These are bonds of local 790, Meriden, Conn., and there are 5 bonds of \$1,000 each, payable to the UAW, American Federation of Labor, Local 790, an unincorporated association, 31 State Street, Meriden, Conn.

The CHAIRMAN. Do you have photostatic copies of the bonds?

Mr. BELLINO. Of each bond, of \$1,000.

The CHAIRMAN. Those bonds may be made exhibit 86.

(The documents referred to were marked "Exhibit No. 86" for reference, and may be found in the files of the select committee.)

Mr. BELLINO. They are endorsed on the back: "UAW, American Federation of Labor, 790, an unincorporated association, by Anthony Doria, secretary." These 5 bonds had cash value of \$5,727, and were turned in to the California bank and a cashiers' check was received, payable to the United Auto Workers, Local 790, in the amount of \$4,727, and the check was endorsed, "United Auto Workers, Local 790, Anthony Doria." It was cashed on December 20, 1954.

The CHAIRMAN. Where were they cashed?

Mr. BELLINO. At the same bank, the California bank.

Senator CURTIS. Was that union in existence on that date?

Mr. BELLINO. No, sir; this union was out of existence in 1951.

Senator CURTIS. And it was out of existence when the bonds were turned in, and the bank issued the check to them?

Mr. BELLINO. Yes, sir.

Senator CURTIS. In other words, the bank issued the check to a non-existent organization?

Mr. BELLINO. Yes, sir.

Senator CURTIS. Mr. Doria endorsed the check for a nonexistent organization?

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. Are there any books or records, Mr. Bellino, that indicate that the union ever got control of this money?

Mr. BELLINO. There is no record that we could find to indicate that the union in any way had knowledge of these funds, except some of the employees who talked to us about them.

Mr. KENNEDY. So that the last source of this money, or the last place that you can trace this money to, is to Mr. Anthony Doria; is that right?

Mr. BELLINO. That is correct.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. That is all.

The CHAIRMAN. The check will be made exhibit No. 87.

(The document referred to was marked "Exhibit No. 87" for reference and will be found in the appendix on p. 4478.)

Mr. DORIA. Mr. Chairman, may I comment on that testimony?

The CHAIRMAN. Do you have something else, Mr. Bellino?
Just one moment.

Mr. BELLINO. We have a compilation based on the income-tax returns which Mr. Doria turned over to us last evening for the period from 1948 to 1952, March 12, 1952. We took that period because on March 12, 1952, Mr. Doria issued a financial statement in which he showed that he had \$11,500 in the bank and he had \$9,500 cash on hand and in January of that same year he had deposited \$18,000 in cash in an enterprise known as Panoramic Enterprise Co., or a total of \$39,000 just cash that he had to his credit about March 12, 1952.

His gross earnings from 1948 to the middle of March 1952 amounted to \$51,687. He had a profit on the sale of certain securities of \$2,228.38, or a gross earnings income for all of those years of \$53,915.38.

Of that, he had cash substantially on hand, on March 1952, of \$39,000 so he used for living expenses and other expenses \$14,915.38.

Now, the deductible expenses on his income tax, on his Wisconsin income tax for those years amounted to \$4,904.63, leaving \$10,000 for living expenses.

Senator CURTIS. For how long a period?

Mr. BELLINO. For 4 years and 2½ months. In addition, he paid out principle on his mortgage from 1948 on, of \$2,970.86, leaving for living expenses about \$7,000 for 4 years and 2½ months.

Mr. KENNEDY. How many are there in the family?

Mr. BELLINO. For part of the time there were 2 children and his wife, and later on in 1951 and 1952 he had another child, 3 children. There were 3 children and his wife and himself.

Mr. KENNEDY. That is less than \$2,000 each year.

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. For living expenses, for Mr. Doria?

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. According to the figures.

Mr. BELLINO. According to his own figures, and his own financial statement and his own income-tax return.

Mr. DORIA. May I comment on that now?

The CHAIRMAN. Is that all?

Mr. BELLINO. Yes, sir.

The CHAIRMAN. Do you want to put that compilation in the record?

That compilation may be made exhibit No. 88.

(The document referred to was made exhibit No. 88 for reference and will be found in the appendix on p. 4479.)

The CHAIRMAN. All right, Mr. Doria, you may comment.

TESTIMONY OF ANTHONY DORIA—Resumed

Mr. DORIA. No. 1, with respect to the endorsement by a nonexistent organization, I again want to recall the testimony that I have been giving consistently here, that these funds, once they came in, were under the administratorship of the international union, through the president, and through the secretary-treasurer, and those endorsements are not for and on behalf of that local union, but by me, under the instructions of the administrator, who had the authority.

Senator CURTIS. I want to ask you right there, why did you have the check made to the local union when it did not exist?

Mr. DORIA. Because the bank required it to be made in that manner and to be designated in such a fashion. We asked the bank as to the procedure that had to be used to cash that and they required it on that basis.

When we pointed out to them that the funds were being held under administratorship, they asked that those signatures appear and that was the only method we could use to cash them.

Now, the bank issued a check not to a nonexistent organization, but to the organization under administratorship, which was under Heaton. There was no such thing as issuing to a nonexistent organization.

Now, Mr. Bellino brings up my income, and chooses to take the period from 1948 to 1952. I think that is a 3-year period of income. It so happens that I have been working and earning money since 1927. Any money that I would have expended I think would also reflect what I expended from my earnings since 1927.

I also want to point out that I was married in 1954 after working since 1927. I want to point out in addition to that, that practically my entire time until I moved to Milwaukee in 1944 was spent on the road. My expenses for living on the road were paid for by the international union.

I had no home to maintain. I had nothing other than the union work to which I devoted from 8 to 24 hours a day throughout the period of time that I worked for this union. My money was not saved from 1948 to 1952. It was saved from 1927 to 1952.

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. What was your salary prior to 1948?

Mr. DORIA. I don't recall that, Mr. Kennedy, and I think we have a record of it.

Mr. KENNEDY. You can remember so many things, Mr. Doria, and can't you remember how much your salary was?

Mr. DORIA. I don't remember that. We started out at \$4,000 and we went to five and six and \$7,800 and then to \$15,000.

Mr. KENNEDY. What were you making in 1948?

Mr. DORIA. I don't recall.

Mr. KENNEDY. What were you making in 1943?

Mr. DORIA. Haven't you got any income-tax report? My income report will indicate what I made in 1948. I gave it to you this morning.

Mr. KENNEDY. Your total income in 1946 was \$5,874.96. You could hardly save much out of that.

Mr. DORIA. In 1946, I think that I could save quite a bit in 1946.

Mr. KENNEDY. In 1947 you made \$6,500.

Mr. DORIA. That's right. I think that is right, if that is what my income-tax report indicates.

Mr. KENNEDY. Still you have not answered the question of the fact that you and your family and 2 or 3 children were able to live on less than \$2,000 a year for a 4-year period.

Mr. DORIA. We did not live on any \$2,000 a year.

Mr. KENNEDY. I know you didn't. I did not say you did. I said you have not been able to explain it.

Mr. DORIA. I did explain to you that my income started in 1927 and throughout the period up until 1944 a period of 17 years, I was

alone. I lived at home. When I traveled, I had nothing to pay. My expenses were paid for. My lodging was paid for. I was out on international business sometimes for a year at a time when my own funds did not have to be touched.

Mr. KENNEDY. You made a financial statement, Mr. Doria, in 1952, which gave the amount of money that you had.

Mr. DORIA. That was a financial statement that I made for the American State Bank, I believe.

Mr. KENNEDY. It was supposed to be accurate.

Mr. DORIA. Yes, but I told the the bank at that time that I was not disclosing my total income, and they said, "Disclose enough to justify the loan," and that is all I disclosed to them.

Mr. KENNEDY. Do you remember in 1954 when you were in Milwaukee, having an argument with Earl Heaton about the money coming from some of these defunct locals?

Mr. DORIA. No, I don't recall that.

Mr. KENNEDY. Do you recall a local became defunct in region 8, which was then under Mr. Heaton, and do you remember that this was brought to Mr. Heaton's attention by Miss Clatworthy? Do you remember having an argument with Earl Heaton about that?

Mr. DORIA. No, I don't recall. I don't say it did not happen, but I don't recall.

Mr. KENNEDY. Do you remember having a big argument about it, and Heaton saying to you, "You're making your money and I am going to make mine."

Mr. DORIA. That is ridiculous. Who did that come from, Miss Clatworthy?

Mr. KENNEDY. Do you remember having that conversation?

Mr. DORIA. I don't recall.

Mr. KENNEDY. Do you deny that?

Mr. DORIA. I say I do not recall it.

Mr. KENNEDY. You do not deny it?

Mr. DORIA. I can't deny it. If I don't recall anything about it, how can I affirm it or deny it?

Mr. KENNEDY. Do you remember having an argument about it?

Mr. DORIA. I don't recall having an argument about it.

The CHAIRMAN. What year was that?

Mr. KENNEDY. 1954.

You cannot remember anything about it?

Mr. DORIA. No, but I wish you would check the source of that information, however, because that represents one of the so-called internal feuds at the time the headquarters was being moved to California.

Sides were taken in the office and a lot of those people were eliminated as a result of the arguments that took place with respect to the moving of the headquarters. The people that you are getting the information from are disgruntled people that have left the union.

Mr. KENNEDY. Let us go on to something here regarding your income, and your source of funds. You had an expense account, did you, from the union?

Mr. DORIA. I had no expense account, and I had merely a revolving fund.

Mr. KENNEDY. What is that?

Mr. DORIA. Where the disbursements were made for and on behalf of the international union, and I would not take an expense account

because it would have meant I would have had to advance money and a treasurer of an international union today can't advance that kind of money to operate.

Mr. KENNEDY. Why?

Mr. DORIA. Because sometimes the amounts are excessive, and you have to carry your own funds and what if they are lost or something happens when you are going over the country?

Mr. KENNEDY. Like the box?

Mr. DORIA. I am talking about personally holding funds on your person while you are traveling for the international union.

Mr. KENNEDY. Just on the question of the box, where did you keep the box when you went to Beverly Hills?

Mr. DORIA. Can I have those answers read from the record, please, so that we don't have to go through the same thing again?

Mr. KENNEDY. I was just wondering when you went to Beverly Hills where you kept the box.

Mr. DORIA. I answered that.

Mr. KENNEDY. You said in a hotel. Did you keep the box in your hotel room?

Mr. DORIA. No, when I said in the hotel, before I came in—no, I still had it. For a portion of the time I had it in Milwaukee and then picked it up from Milwaukee and brought it into Los Angeles.

Mr. KENNEDY. In your hotel room?

Mr. DORIA. For a while I did have it in my hotel room.

Mr. KENNEDY. Did the union provide an automobile for you?

Mr. DORIA. The international union in the later years, yes.

Mr. KENNEDY. When did that start?

Mr. DORIA. I think that started after 1954.

Mr. KENNEDY. Prior to that time, they did not?

Mr. DORIA. I don't believe so, no. I think that the first automobile the union provided for me was on or about 1954 sometime.

Mr. KENNEDY. Did you have the use of an automobile prior to that time?

Mr. DORIA. Prior to that time, the local union that I worked with in Chicago used to provide me with an automobile.

Mr. KENNEDY. Was that their automobile?

Mr. DORIA. Yes, sir; that's right.

Mr. KENNEDY. That was in 1951?

Mr. DORIA. In 1951 I had an automobile from the local union which later I purchased from the local union when I terminated my association one of those times from the local union.

Mr. KENNEDY. That was an Oldsmobile?

Mr. DORIA. No, the Oldsmobile was my personal car and it was a Cadillac.

Mr. KENNEDY. You had a Cadillac in 1951?

Mr. DORIA. Yes, a 1951 Cadillac Fleetwood.

Mr. KENNEDY. What did you do with that Cadillac?

Mr. DORIA. I ultimately purchased it from the local union and later on I traded that Cadillac in on another Cadillac.

Mr. KENNEDY. You did not leave the local union. You were secretary of the local union.

Mr. DORIA. I did not stay with the local union continuously, and there were periods when the thing reverted back to the local union. Angelo in Chicago wanted to handle it, and I left the local union.

Mr. KENNEDY. What did you do?

Mr. DORIA. When I left I bought that Cadillac.

Mr. KENNEDY. How much did you pay for the Cadillac?

Mr. DORIA. At that time we made an adjustment on the basis of the services and expenses.

Mr. KENNEDY. Just answer the question.

Mr. DORIA. And I paid them in a check, \$1,200.

Mr. KENNEDY. \$1,200?

Mr. DORIA. Yes, sir.

Mr. KENNEDY. You paid \$1,200 in what year?

Mr. DORIA. I don't recall what year it was, but it must be around 1953.

Mr. KENNEDY. 1953?

Mr. DORIA. I believe, and I am not sure of that date.

Mr. KENNEDY. Now, we have discussed this automobile with Mr. Incisco and he said he never even heard about the automobile.

Mr. DORIA. He never heard about it?

Mr. KENNEDY. No; let alone purchasing it.

Mr. DORIA. I can't vouch for Incisco's testimony, but I do know this, that I purchased the automobile from him and gave him a check and the check ought to clear through the City Bank & Trust Co., if you will check the City Bank & Trust Co.

Mr. KENNEDY. Who assessed the automobile at \$1,200?

Mr. DORIA. Assessed? It was not assessed. There was just a certain amount of expenditures on my maintenance of the automobile and when I deducted that, the adjustment came to \$1,200 even, or \$1,200 and something dollars, and I turned the title over to myself.

Mr. KENNEDY. When again was that?

Mr. DORIA. I don't recall. I think it was approximately in 1953.

Mr. KENNEDY. Mr. Chairman, could we ask to put Mr. Bellino on again to trace the automobile for Mr. Doria?

The CHAIRMAN. All right.

Mr. DORIA. If he can give some facts; I don't recall that.

TESTIMONY OF CARMINE S. BELLINO—Resumed

Mr. KENNEDY. Would you tell us what happened to the automobile?

Mr. BELLINO. I might first mention that in talking to Mr. Incisco, he gave me a copy of the minutes of local 286 in September of 1948, and he pointed to a paragraph which read:

After considerable discussion, the executive board members unanimously approved the authorization of the president of the local union to transfer title on the local union automobiles to the officers of the local union for the sum of \$1 and other good and valuable considerations, thereby relieving the local union of any responsibility for the maintenance and upkeep of said automobiles.

He said after that date, the union was not supposed to buy any more cars for any official at all. He could not explain under any circumstances an automobile purchased on September 12, 1951, a Cadillac purchased from the Kavam Motor Co. in Milwaukee, K-a-v-a-m, No. 5160-82325, at which time we traced a deposit to Kavam Automobile Motor Co. of \$3,202.95, and that item was charged to local 286 bank account on September 14, 1951.

That automobile was subsequently traded in on October 5, 1953, at which time Anthony Doria purchased another Cadillac bearing No.

5362-88348, in the name of the Badger Realty Corp. The automobile was subsequently titled in the name of Anthony Doria according to the motor vehicle records.

The 1951 Cadillac was traded in for this second, at the time of the purchase of the second Cadillac at which time a credit of \$2,893.36 was granted.

Mr. Inciso had made no mention at all of the sale of an automobile to Anthony Doria for \$1,200 or anything of the kind and he said it was completely strange to him.

TESTIMONY OF ANTHONY DORIA—Resumed

The CHAIRMAN. Mr. Doria, you said that you gave a check for \$1,200.

Mr. DORIA. Yes.

The CHAIRMAN. And it should have cleared through the bank?

Mr. DORIA. Yes, sir; and it will show in the record of my account through that bank and I believe that they have a system there where they photograph all checks.

The CHAIRMAN. What bank is that?

Mr. DORIA. The City Bank & Trust Co., or the First Wisconsin National Bank, one of the two, and I don't recall which.

The CHAIRMAN. Make a check of that and do you remember about the date of the check?

Mr. DORIA. It had to be approximately, I think it is approximately in 1953 and I can't tell you any better than that. But the check was right through my personal account and the check was made out to UAW-AFL, Local No. 286.

The CHAIRMAN. That can be traced if they have a record of it. All right.

TESTIMONY OF CARMINE S. BELLINO—Resumed

Mr. BELLINO. I might mention when he purchased the 1951 Cadillac, it was paid for by the union and he had a monogram on the front doors of "A. D." and it was Anthony Doria.

Mr. KENNEDY. And the other thing, Mr. Bellino, is that the Cadillac, as it was traded in, was valued by the motor company at some \$2,800?

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. And Mr. Doria says he paid the union \$1,200 for it.

TESTIMONY OF ANTHONY DORIA—Resumed

Mr. DORIA. That's right, but there was an adjustment as I pointed out, Mr. Kennedy, along with that.

The CHAIRMAN. There were some other expenses adjusted at the time, and you owed a balance then, of \$1,200?

Mr. DORIA. May I comment on that?

The CHAIRMAN. Will you state what the car was valued at, at the time of the transaction?

Mr. DORIA. If it was traded in for \$2,800, Mr. Kennedy, you can appreciate that the resale value of that car was from \$700 to \$800 below that, because that is customary on all trade-ins. You will find that value will hold pretty good, to begin with.

The next thing is that there was an adjustment on expenses that had been incurred in the maintenance of that car, and since I was going to take it over there was no object in crediting the union with it.

Now, I might point out that the 1951 car came as a result of the trade-in of a 1948 car which also belonged to the union. It was acquired on the basis that the 1948 Cadillac which the union had traded in.

I would also like to point out that the excerpts Mr. Bellino read from the minutes of local No. 286 applied to the organizers in the Chicago area. That was never conveyed to me, and the approval on the purchase of the 1951 car was with the full knowledge of Angelo Inciso and the local union, and the monogram was a gift from Kavam Motor Co. to me, along with a key at the time that Cadillac was issuing the crest keys, and I also got that, Mr. Bellino, so the record might be complete.

The CHAIRMAN. Let us move along.

Mr. KENNEDY. They decided to put your monogram on it?

Mr. DORIA. That's right. It was a free thing that I received from Kavam.

Mr. KENNEDY. Rather than local No. 286, they decided to put "A. D." on?

Mr. DORIA. It was a small thing, this monogram, and I don't know what it was worth, but just a small silver letter, "A. D."; that is all it was.

Mr. KENNEDY. I think it is nice.

Mr. DORIA. I think it was a very nice car.

Mr. KENNEDY. I would like to ask you now, Mr. Doria, about the convention in 1955.

Mr. DORIA. Yes; it was very hectic.

Mr. KENNEDY. Excuse me?

Mr. DORIA. It was a very hectic proceedings.

Mr. KENNEDY. That was held in Cleveland; was it?

Mr. DORIA. In Cleveland, Ohio; yes.

Mr. KENNEDY. There was some testimony before the committee regarding the events that preceded the election on the question of changing the method of voting, and that you had offered some resolutions that would have given to Mr. Dio's area in New York City some 182 more votes in the election.

Is that correct?

Mr. DORIA. Well, that is not the only area. Any area that had an amalgamated was affected by those decisions.

Mr. KENNEDY. Let me tell you what was affected. In the New York area, it was affected. It went from the 100 votes before, and they went up to 282 votes. They were affected; right?

Mr. DORIA. I thought they even had more than that, but go ahead.

Mr. KENNEDY. Region 4 went from 59 votes to 59 votes. There wasn't much effect there.

Mr. DORIA. That is right.

Mr. KENNEDY. Region 6 went from 38 votes to 38 votes. There wasn't much change there.

Mr. DORIA. No amalgamateds in those regions.

Mr. KENNEDY. Region 7 went from 108 votes to 108 votes. No change there.

Mr. DORIA. That is right.

Mr. KENNEDY. Region 8 went from 119 votes to 119 votes. No change there.

Mr. DORIA. No amalgamateds in region 8.

Mr. KENNEDY. Region 9 went from 116 votes to 116 votes. There wasn't any change there.

Mr. DORIA. That is not exactly right, I don't believe. There was an amalgamated in region No. 9 and region No. 9 would have been affected by the change in the voting power, and the voting power would have increased in region 9 by reason of the amalgamated in Chicago.

Mr. KENNEDY. We have the western area going from 7 votes to 11 votes. That is your area; isn't it?

Mr. DORIA. That is the area I came from.

Mr. KENNEDY. So your area changed and Johnny Dio's changed, and according to the records we have here no other area changed, except your area, which had four more votes.

Mr. DORIA. Any area that had an amalgamated—

Mr. KENNEDY. I understand that. But this is the only change that was made.

Mr. DORIA. No, no, no.

Mr. KENNEDY. It is not a question of no, no, no.

Mr. DORIA. I compiled a complete record showing the complete voting power by converting the amalgamateds into individual charters, and every area that had an amalgamated local union would have increased its voting power, and the areas that at that time had amalgamated local unions were the New York area, the Chicago area, the west coast area, and I don't know whether or not the Cleveland area had any amalgamateds.

Mr. KENNEDY. We have the records here.

Mr. DORIA. Have you both of the voting powers?

Mr. KENNEDY. On both, before and after. In the old vote there would have been 547 votes and under the new vote there would have been 733 votes. That is an increase of 186 votes, and 182 were in Johnny Dio's area.

Mr. DORIA. Johnny Dio's area? Johnny Dio was not connected with the union at that time.

Mr. KENNEDY. You were writing him all the time.

Mr. DORIA. Yes, but it was not Johnny Dio's area. Let's get that straight for the record.

Mr. KENNEDY. It certainly appears so from the record. The vote there increased 182 and your area increased 4, making a total increase of 186 votes.

Mr. DORIA. Yes. Well, anyhow, I don't want to quibble about the voting power. What are you driving at? I will give you the answers.

Mr. KENNEDY. Those facts are correct?

Mr. DORIA. The facts are correct to the extent that every amalgamated would have increased their voting power; that is right.

Mr. KENNEDY. You were trying to get the area that had been controlled by Dio increased from 100 votes to 282 votes.

Mr. DORIA. Yes, I was trying to increase the voting power of every amalgamated, not only that one.

Mr. KENNEDY. At the same time, did you draw a check from the union or write out a check for \$130,000, Mr. Doria?

Mr. DORIA. I think it was \$139,000.

Mr. KENNEDY. \$139,000?

Mr. DORIA. I think that is what it was.

Mr. KENNEDY. What was the \$139,000 for?

Mr. DORIA. That was a certified check which I requested when I found that the convention was in a hectic position with respect to conflict. I had been through these situations before, and I do know that they ultimately result in the tying up of the funds to prevent people from operating.

Mr. KENNEDY. So you wanted \$139,000—

Mr. DORIA. So I took a \$139,000 certified check.

Mr. KENNEDY. So you would be sure of operating?

Mr. DORIA. So I would be sure of operating and completing that convention; that is right.

Mr. KENNEDY. Whose approval did you have? The board? Did you take it up with the board?

Mr. DORIA. Certainly I took it up with the board.

Mr. KENNEDY. Did you tell the board you had the \$139,000?

Mr. DORIA. Yes. They all knew I had the \$139,000. I showed it to them.

Mr. KENNEDY. When you were out there?

Mr. DORIA. That is right, at the convention. That is when I received it.

Mr. KENNEDY. Prior to that time, when you had it certified, did you tell the board prior to that time that you had the check, that you were making the check out?

Mr. DORIA. I told the majority of the board, because half of the board was not talking to the other half at that convention.

Mr. KENNEDY. You told the half?

Mr. DORIA. I told them, yes.

Mr. KENNEDY. That was six?

Mr. DORIA. I think it was, yes.

Mr. KENNEDY. And that was the 6 out of 10 that voted for the change in the voting?

Mr. DORIA. That is right.

Mr. KENNEDY. Would you explain to the committee why it is not mentioned in any of the minutes of the UAW-AFL that this \$130,000 check was available to you?

Mr. DORIA. Because of the fact that the convention was in session at that time and there was no object in preparing any minutes during that period of time. When the convention finally adjourned, and the board went into a session, at that time the check was returned to be redeposited so that it could not be tied up in the funds of the union.

Mr. KENNEDY. But, prior to the time, to this time, you had a meeting on October 31, 1955. There is no mention in the minutes there.

Mr. DORIA. No, because, at that time, there was no indication that that would be necessary. But, following that meeting—

Mr. KENNEDY. You had the check at that time, had you not?

Mr. DORIA. No; I don't think so. I think the check came in later, if you will check the records, if you will find the check. I remember the details on that. I remember it quite well.

Mr. KENNEDY. That date was October 31, 1955.

Mr. DORIA. That the check was written?

Mr. KENNEDY. Yes.

Mr. DORIA. Then that was the day that the board meeting adjourned.

Mr. KENNEDY. Why did you not tell the board that you were planning to do this?

Mr. DORIA. Because of the fact that in that board meeting we got an indication that an injunction was going to be issued against the officers, the incumbents, at that time.

Mr. KENNEDY. Do you not think the board was entitled to know that you had written out a check for \$130,000 to Anthony Doria, special account?

Mr. DORIA. The board members in the majority were all aware of the fact that I had that check written, and approved it.

Mr. KENNEDY. That was the 6 people, the 6 votes, that were ready to stack the convention.

Mr. DORIA. There was no stacking of the convention. It was all legitimately done.

Mr. KENNEDY. All legitimately?

Mr. DORIA. That is right; in accordance with the constitution, again.

Mr. KENNEDY. Tell me this: Why did you not tell the members of the board, even the opposition, that you had written a check to Anthony Doria, special account, for \$130,000?

Mr. DORIA. Mr. Kennedy, I told you the opposition was no longer meeting with the majority at that time.

Mr. KENNEDY. You met with them on October 31.

Mr. DORIA. Yes; they met in the morning, and this is what happened: The morning meeting was called to order and we were in the process of selecting committees. While we were selecting the committees, I mentioned an individual to be placed on one of the committees. I don't remember which. The individual that I mentioned, that should have been placed on the committee, came from the Globe-Wernicke plant.

Mr. KENNEDY. Let me ask you this. Maybe we will cut it short. Do you think it is the proper procedure that, if you have opposition in the union to the officers, the incumbents, the incumbents should just do what they want and not tell the opposition?

Mr. DORIA. Mr. Kennedy, let me assure you that was a convention where everybody did what they wanted to do.

Mr. KENNEDY. Do you advocate that?

Mr. DORIA. What?

Mr. KENNEDY. Do you advocate that?

Mr. DORIA. I advocate this; that, if I am in a position of control and I see a fight coming up, they better get their best hold because they are not going to win by forfeit.

Mr. KENNEDY. And one of the best holds would be to take \$130,000 out of union funds and make out a check to yourself?

Mr. DORIA. It would be better than let them get an injunction and let them hold \$130,000. As long as somebody is going to hold it, and I am involved, let me assure you that I would use every means at my disposal to be the one that holds it.

Mr. KENNEDY. I believe that, Mr. Doria.

Mr. DORIA. I hope there is no question about it.

Mr. KENNEDY. Tell me this: How were the delegates that had to come in New York, or were going to come in from New York in this special arrangement that you had, how were they going to be financed?

Mr. DORIA. They were going to be financed by the international union, because the board had taken a position with respect to all delegates, that they could be subsidized to come to the convention. Every region did it.

Mr. KENNEDY. That same six men?

Mr. DORIA. No; all of them approved this. All of them approved this.

Mr. KENNEDY. No; it was a vote of six to——

Mr. DORIA. No; all of them approved the idea of delegates being subsidized, and that was, again, ratified and approved after the convention, too.

Mr. KENNEDY. Did you plan to use this \$130,000 for that?

Mr. DORIA. No. The \$130,000 that I had was merely to protect the funds from attachment, because three attempts were made to obtain an injunction against the officers and tie up the funds.

Mr. KENNEDY. You were the one that sort of would be the honest one to make sure that nothing happened to the funds?

Mr. DORIA. I have always been honest about the handling of the union funds.

Mr. KENNEDY. As you say, you and Johnny Dio.

Mr. DORIA. Not me and Johnny Dio. That was me, alone.

Mr. KENNEDY. But Dio was honest in New York and you were honest in Milwaukee?

Mr. DORIA. Dio has always been honest with me; yes.

The CHAIRMAN. The Chair presents this photostatic copy of the check for \$130,000, dated October 31, 1955. Is that the check you have been discussing?

(Document handed to witness.)

Mr. DORIA. That is right, Mr. Chairman.

The CHAIRMAN. That may be made exhibit No. 89.

(The document referred to was marked "Exhibit No. 89" for reference, and will be found in the appendix on pp. 4480-4481.)

The CHAIRMAN. The check, apparently, was for \$130,000 instead of \$139,000.

Mr. DORIA. I did not recall the amount.

The CHAIRMAN. But that is the check?

Mr. DORIA. Yes; I had less money than I thought I had in that situation.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Whose money was it?

Mr. DORIA. That was the international union's money.

Senator CURTIS. Where did they get it?

Mr. DORIA. Where the international gets all of its money; from dues.

Senator CURTIS. Yes. The men and women that work. Suppose the court action would have ensued, and the court would have found that this money paid in by these working people should be in the hands of the court or of a trustee, or certain officers. It would not have been there; would it?

Mr. DORIA. That is right.

Senator CURTIS. That is all.

Mr. DORIA. And that was the advice of counsel on it, too.

And I might explain, in order to clarify the matter even more: that on a previous situation when that happened in the union, the early days in the fights, we ran into that situation in reverse, and when we attempted to get control of it by the courts we were told by the attorneys, "You better grab the guy that has it and until you get ahold of that check, we can do very little about it." I wasn't going to let that happen to me, since I represented the majority and the control of the international union.

It was because of the experience that we undertook that little procedure.

Mr. KENNEDY. At this same time——

The CHAIRMAN. For my information, and for the record, was the resolution passed increasing the voting strength of the convention?

Mr. KENNEDY. It was passed by the board. They approved it.

The CHAIRMAN. I mean, it was approved that these other unions that were brought in, these shops, or whatever they were, that their delegates attended and voted?

Mr. KENNEDY. At that time, after it was passed by the board, as Mr. Doria says, six of the members approved of all these things. It was then opposed by Angelo Inciso, who had some 37 votes and stood not to gain any votes by this method. He opposed it, and he then voted for Mr. Doria and his slate and they won the election and Mr. Inciso then was placed on the executive board and given his own region.

Mr. DORIA. That was not opposed, Mr. Kennedy. What happened was this: that after the board had interpreted the constitution, in accordance with whatever would have been required to bring in these votes, it clearly established the fact that a lot of the propaganda that had been brought into the convention was not going to do them any good. Then the truth came out.

That was one of the stories that involved—I think we are going to get into it—the sale of the building. But, fortunately, and I did not expect this, the letter that was supposed to carry this smear into the convention was brought to my attention. At that time, the Journal, in Milwaukee, carried a story of it, but they called me before they wrote the story, and by virtue of being able to correct it, the whole thing blew up.

We no longer needed those votes.

As a result, we compromised the issue on the board. The people were brought in on the basis of single charters rather than amalgamated charters. We reverted to the original vote.

Mr. KENNEDY. Then you admit that the reason for increasing the amount of votes was because you needed the votes?

Mr. DORIA. The reason for increasing the amount of votes was to obtain insurance. We didn't need——

Mr. KENNEDY. For your election?

Mr. DORIA. That is right. But the thing that we did in that was that as long as the issue was going to be propagandized with a bunch of fake issues, I merely wanted to indicate to them that when they came into a convention to fight that way that they would not win by forfeit, that there were other people that could also maneuver. Once

they were satisfied that that was possible, then the whole thing reverted to its normal status quo and we won with the regular votes, which I predicted the day the board came in and said they were opposing the incumbents and were going to take this action.

Mr. KENNEDY. Right.

Now, talking about the manuvering, did you also at this same period of time have another fund that you set up sort of as a convention fund?

Mr. DORIA. Yes. We had a checking account in the Cleveland Bank & Trust Co., I think it was.

Mr. KENNEDY. In whose name was it?

Mr. DORIA. Anthony Doria, special account, for convention purposes only.

Mr. KENNEDY. Again, this account was in the name of Anthony Doria?

Mr. DORIA. That is right. With the full knowledge of everybody, including the board.

Mr. KENNEDY. What signatures were needed on those checks?

Mr. DORIA. My signature was needed. It was first disbursed by the president to establish the account, and after that the account was approved for \$30,000 and the account was used in the Cleveland convention for the purpose of defraying expenses of the Cleveland convention.

Mr. KENNEDY. So you had a \$30,000 bank account in Anthony Doria's name?

Mr. DORIA. Yes, in Cleveland, for the purpose of defraying the expenses of the convention.

Mr. KENNEDY. Where are the canceled checks of that account?

Mr. DORIA. I don't know. They ought to be in the international office, unless they have been destroyed with the old records.

Mr. KENNEDY. They are gone.

Mr. DORIA. Well, I don't know. I know I don't have them.

Mr. KENNEDY. You don't?

Mr. DORIA. No, but I think I have given you a complete record of that account.

Mr. KENNEDY. Did any of that money go into your bank account?

Mr. DORIA. No, not into my account. Only that account.

Mr. KENNEDY. Did any go to your partner, Mr. Kallas?

Mr. DORIA. No.

There were some cash payments on checks. Not on that trip. The thing that happened there, during the time my convention——

Mr. KENNEDY. Just explain. Mr. Spiros Kallas was a friend of yours at that time?

Mr. DORIA. Yes, he was.

Mr. KENNEDY. He was a partner of yours?

Mr. DORIA. Yes, he was.

Mr. KENNEDY. Did he receive any of this money?

Mr. DORIA. The only money that he received was an advance that he made to me that I cashed through him that was sent out to the mine venture, not to him. There was a check for \$1,000, \$1,007, or \$1,009.71, I believe, that he cashed for me, for the purpose of sending some funds to the mine venture.

Mr. KENNEDY. He just happened to have some cash on him?

Mr. DORIA. No. I happened to be in Milwaukee, and what I had done—I can't give you the story unless you let me get to the beginning of it.

Mr. KENNEDY. I just want to know how Spiros Kallas ended up with \$1,007.91.

Mr. DORIA. He didn't end up with it. He merely cashed a check for me.

Mr. KENNEDY. How did he happen to have \$1,007?

Mr. DORIA. He was in his hometown. I was with him.

Mr. KENNEDY. He had the cash in his pocket?

Mr. DORIA. No. He made a money order for me to the mining venture that I was working on.

Mr. KENNEDY. I don't understand that.

Mr. DORIA. That is why I say, if you let me explain it, I will be glad to explain it.

Mr. KENNEDY. Just explain how he ended up with \$1,007.

Mr. DORIA. I can't give you that, because then you will come right back and ask me how the other thing happened before me. You might as well save the time and get it over with.

Mr. KENNEDY. I am not sure we will save time.

Mr. DORIA. If you are interested, I will see if my predictions come true. I was in Milwaukee, and I was making an exchange of money to forward money to the Roxey Enterprises.

Mr. KENNEDY. That is your own personal business?

Mr. DORIA. No; it is not. It is money that I held for myself, my group and Lew Sirotta's group when I was handling the funds for the Roxey Enterprises.

This money had been left in Los Angeles in this box marked for the Roxey Enterprises. When I left on a trip that took me to the AFL convention in New York, during that same time, then I was subpoenaed and appeared before the Douglas committee. I could not get back and I knew that. I knew I had to make disbursements. Therefore, I left approximately \$4,000 of the company's money in this box in Los Angeles and merely took the checking account, and the checkbook, with me on the trip to New York to the AFL convention.

Mr. KENNEDY. I don't understand that.

Mr. DORIA. In other words, I still had a balance in the Cleveland convention account. We had just come back from Cleveland, had gone back into Los Angeles. When I got into Los Angeles, I received a subpoena to appear before the Douglas committee which was being run concurrently with the AFL-CIO merger convention in New York. I had to leave immediately for that. I left for that knowing that I had to make disbursements for the mine. I left approximately \$4,000 in the box of the mine's money, not to carry a lot of money in my pocket with me. I took with me the checkbook on the account, on the Cleveland Bank & Trust Co., to defray the expenses of the money.

During that time, then, while I was in New York, and coming back from New York I stopped off in Milwaukee, I disbursed two checks to the mining company, through the Valley National Bank in Tucson, Ariz., from that account—

Mr. KENNEDY. From what account?

Mr. DORIA. From the Cleveland Trust Co. account of the convention.

Mr. KENNEDY. From the union?

Mr. DORIA. That is right, in return for the cash which I had left in the box when I went to New York, not to carry the cash, and when I got into Milwaukee, I wanted Spike to forward another \$1,000 to the Valley National Bank. I gave Spike this check in order to get the \$1,000 to forward it. This was already covered by the \$4,000 which I left in the box in Los Angeles.

Mr. KENNEDY. Oh.

Mr. DORIA. Does it make it clear? I think you have that record right before you. I gave it to you yesterday.

Mr. KENNEDY. You came from Los Angeles to testify before the Douglas committee?

Mr. DORIA. Yes.

Mr. KENNEDY. You have had your transportation paid for that?

Mr. DORIA. Is that right? They promised it but they haven't paid it.

Mr. KENNEDY. You didn't need union funds, did you?

Mr. DORIA. I certainly did, because it hasn't been paid to this day, although it is right in the transcript that they are going to pay it.

Mr. KENNEDY. And you needed to take the convention funds to pay for that trip?

Mr. DORIA. Well, simply because we incur, sometimes, pretty heavy expenses in an AFL convention.

Mr. KENNEDY. Why didn't you just get the regular union funds?

Mr. DORIA. I didn't have time. I left in a hurry from Los Angeles. I was under subpoena.

Mr. KENNEDY. Weren't there any union funds in Los Angeles?

Mr. DORIA. Certainly there were union funds, but on the basis of the way that you leave on those trips, like weekends and things of that nature, you don't get into those funds, because the clerks make them out.

Mr. KENNEDY. The funds you could grab were the convention funds?

Mr. DORIA. I took the checkbook and no other funds.

Mr. KENNEDY. You didn't take any of the money out of the box?

Mr. DORIA. No; because we had enough in the checkbook to handle that. I think we had a \$6,000 or \$7,000 balance in that checkbook.

Mr. KENNEDY. What about the \$1,327.25 that was paid to per capita tax refund, region 3-A?

Mr. DORIA. That's right. That is one of the cases we talked about yesterday, where the local unions that were exonerated from the payment of per capita taxes would have per capita taxes refunded to them.

Mr. KENNEDY. That is Johnny Dio's place?

Mr. DORIA. That is not Johnny Dio's.

Mr. KENNEDY. That was local 3-A.

Mr. DORIA. Local what? 250?

Mr. KENNEDY. 250.

Mr. DORIA. Local 250. Local 250 had sent that in. When I got into New York for the convention, they told me they needed their funds, because they were in a hurry—

Mr. KENNEDY. Why?

Mr. DORIA. For the refund.

Mr. KENNEDY. Why did you pay them out of convention funds?

Mr. DORIA. Because I couldn't get back into Los Angeles in time to get them their money. Heaton was there and I was there, and we made the refund to them from the convention funds to local 250.

You will find that to be an identical check of per capita taxes paid by local 250.

Mr. KENNEDY. There was \$2,000 for legal fees?

Mr. DORIA. That is right.

Mr. KENNEDY. To whom was that paid?

Mr. DORIA. That was paid to an attorney by the name of Mr. Brooker, I believe.

Mr. KENNEDY. Mr. Brooker?

Mr. DORIA. Yes.

Mr. KENNEDY. What position did he have?

Mr. DORIA. He was an attorney in Cleveland that we used.

Mr. KENNEDY. During the convention?

Mr. DORIA. That is right; during the convention.

Mr. KENNEDY. \$2,000 went to him?

Mr. DORIA. That is right.

Mr. KENNEDY. Didn't you already have Mr. Previant at the convention?

Mr. DORIA. Yes; we had Mr. Previant.

Mr. KENNEDY. But you needed him?

Mr. DORIA. You always need a local counsel. Are you an attorney? You have to have local counsel. You can't operate in these States unless you have local counsel, apparently.

Mr. KENNEDY. Then there was an item of \$747. Do you remember that?

Mr. DORIA. Who was the check issued to?

Mr. KENNEDY. Do you know anything about that item, \$747?

Mr. DORIA. Well, I don't know. If you can show me the records—

Mr. KENNEDY. It was deposited in the bank account of Anthony Doria.

Mr. DORIA. What is that?

Mr. KENNEDY. You tell me.

Mr. DORIA. I don't know. I would like to see the item. I don't know what you are talking about right now.

The CHAIRMAN. According to the information we have, Mr. Doria, on the 25th of November—I don't know what date the check is—there was charged, as this record shows, a check for \$747 out of this convention fund, the special account and deposited in your account in the Bank of America.

Mr. DORIA. Well, I don't know. I would have to see the check and find out a little more detail on it. The only thing I can imagine it could be, from just what you are telling me—and I can't peg it down—is that it is probably a refund to me for expenditures that I made out of some fund when I returned it to another one of the cash funds, if I made an expenditure. I don't know what it could be right now. If I could have the check and see the endorsement—

Mr. KENNEDY. Of course we can't do that. You have those. We have not been able to get them, Mr. Doria.

Mr. DORIA. But the bank certainly has photostatic copies of those checks. They can be obtained.

The CHAIRMAN. The check was dated the 23d of November 1955, and was deposited on the 25th of November in your account at the Bank of America, in your personal account.

Mr. DORIA. May I see the record that I gave you, Mr. Kennedy, with respect to that?

(A document was handed to the witness.)

Mr. DORIA. Didn't I also give you a breakdown sheet of the 1955 convention account and a spread sheet with columns?

Mr. KENNEDY. In addition to that \$747, Mr. Doria, there was, out of the \$30,000, approximately \$14,000 of which there is no accounting.

Could you tell us what happened to that?

Mr. DORIA. Well, let me have this and I will try to give it to you.

(A document was handed to the witness.)

Mr. DORIA. Well, from that account, \$20,557.58 went directly to the 1955 convention expenses.

Mr. KENNEDY. What does that mean?

Mr. DORIA. What is that?

Mr. KENNEDY. What does that mean?

Mr. DORIA. That means the payment of delegates, the payment of directors.

Mr. KENNEDY. Who did it go to?

Mr. DORIA. These disbursements were all by check. All you have to do, if you can't find these checks, I am certain the bank has photostats of all of them.

Mr. KENNEDY. The bank does not have photostats.

Mr. DORIA. Well, that is news to me. I thought they had photostats.

Mr. KENNEDY. I am telling you.

Mr. DORIA. But the items listed individually in this spread sheet——

Mr. KENNEDY. We would like to know who got the \$20,000.

Mr. DORIA. They were disbursed in these amounts. I can't recall the individuals. I know, for example, we put \$1,000—there is an item here of \$2,000 which I will define for you, which was for Brooklyn. There was an item of \$800 and something given to the delegates out of Meriden, Conn.—out of the Connecticut section. There were expenditures for the rental of office typewriters and office equipment. There were expenses here, for example, for the preparation for the convention banquet.

Mr. KENNEDY. I will tell you this. We have it down to where you spent, including \$3,757.26, which you charged to public relations and organizational expenses——

Mr. DORIA. That was the balance upon the closing out of the account.

Mr. KENNEDY. What did you do with that money when the account was closed out?

Mr. DORIA. That went into the public relations cash account of the international union which was on the books of the international union.

Mr. KENNEDY. It went into the international union?

Mr. DORIA. That is right. This was international money.

Mr. KENNEDY. It was put on the books of the international?

Mr. DORIA. That is right.

Mr. KENNEDY. We find, including the \$1,007.91 that went to your partner Kallas from the exchange you told us about——

Mr. DORIA. The total exchanges were \$3,507.91, a \$1,500 check and a \$1,000 check.

Mr. KENNEDY. Ultimately we come down to \$14,000 that there is no accounting for at all.

Mr. DORIA. I can give you those totals.

Mr. KENNEDY. Don't give us totals. Tell us who got the money.

Mr. DORIA. I will tell you where it went: \$3,757.26 went into the cash account of the international union; \$3,507.91 went into the cash reserve account as a result of the exchange of checks, cash. This is the \$4,000 which I told you approximately I left in the box and I issued these three checks on that.

The 1955 AFL convention expenses directly taken from the account were \$850, when I was in New York. The per capita tax refund to local 250 was \$1,327.25. Then we have all the other checks that were listed that I showed you in this spread sheet, and that total is part of the total of \$20,557.58, and all those checks represent \$3,200 that was paid out for delegates in the New York area, \$2,000 that I remember was paid out to Mr. Brooker, the attorney that we used in Cleveland.

Then the first \$49.91, I think, was on the rental of typewriters. There was a check in the amount of \$800 and something in that group that went to the payment of delegates in the New England area—to bring them in because their locals didn't have enough money to bring them into the convention.

Mr. KENNEDY. The New England area? Whereabouts?

Mr. DORIA. I mean the Connecticut area.

Mr. KENNEDY. And Maryland?

Mr. DORIA. Maryland.

Mr. KENNEDY. I thought they were defunct.

Mr. DORIA. No, there were locals there and locals like Cobleskill, N. Y., that participated. All of these items were disbursed by check to cover the expenses, for example; of members of the committee, called in for a convention—to cover their hotel expenses, hotel, and wage loss allowance.

Mr. KENNEDY. You can say what you want, but ultimately it comes down to the fact that there was some \$14,000 that was unaccounted for.

Mr. DORIA. It is not unaccounted for as far as we are concerned. It is completely accounted for.

Mr. KENNEDY. Did you keep books and records for that?

Mr. DORIA. No, the checks were approved. The records were kept for a long time after the convention. The audit was completed. We complied with the requirements under our constitution to verify the amounts and they were prepared, like the entry I showed you, for entry into the books, which were delayed in this instance because of the type of harassment that our union has undergone in the last 2 years—since we moved to California, particularly.

Mr. KENNEDY. When you moved to California; is that right?

Mr. DORIA. Yes; and a little before that.

Mr. KENNEDY. How much did the building cost that you built in California?

Mr. DORIA. I don't know, but I think it is in the neighborhood of \$400,000. If you will look at the records, I don't recall the amount, but you ought to have it.

Mr. KENNEDY. How much did the moving cost run?

Mr. DORIA. I don't recall that.

Mr. KENNEDY. Did you build a new building?

Mr. DORIA. No; we remodeled an old building.

Mr. KENNEDY. Did you buy a house when you were out there?

Mr. DORIA. Yes; I bought my home there. Naturally, I moved there.

Mr. KENNEDY. Who did the remodeling of the building?

Mr. DORIA. The Moss Construction Co.

Mr. KENNEDY. Did you have any work done in your home?

Mr. DORIA. Yes.

Mr. KENNEDY. Who did that work?

Mr. DORIA. The Moss Construction Co. also.

Mr. KENNEDY. The same company?

Mr. DORIA. That is right.

Mr. KENNEDY. When did you start doing this; in 1954?

Mr. DORIA. I started doing that immediately after I purchased my home, whatever the date was. I think you have those records, too. I gave them to you.

Mr. KENNEDY. Did you find it was difficult keeping the bills of your work done in your home separate from the bills done on the——

Mr. DORIA. I discharged an individual that was working with us over that issue; yes.

Mr. KENNEDY. Did you? Did you find that, in the first 5 or 6 months that the Moss Construction Co. was doing work on the building, the bills for the work done in your home were being sent to them, and the union was paying?

Mr. DORIA. No; that is not the story. That story came to you, undoubtedly, from the disgruntled individual that I discharged.

Mr. KENNEDY. Wasn't there about \$8,000 of work done on your home——

Mr. DORIA. Yes; there was.

Mr. KENNEDY. Wait a minute—that was paid out of union funds?

Mr. DORIA. No; it was not paid out of union funds.

Mr. KENNEDY. It was not paid out?

Mr. DORIA. No; it was not.

Mr. KENNEDY. There wasn't any money paid out of union funds for the work done on your home?

Mr. DORIA. No, because I took a mortgage on my home for the work done.

Mr. KENNEDY. When did you take the mortgage on your home?

Mr. DORIA. Upon the completion of the work. First, I had a note; if I recall, first, I had a note to the Moss Construction Co., which developed in this manner. When I left Loomis——

Mr. KENNEDY. Let's go back. You moved out there and the Moss Construction Co. did work on your home and did work on the building; is that right?

Mr. DORIA. Right. They also did work on this individual's home that I discharged; yes.

Mr. KENNEDY. There was no mortgage at that time on your home?

Mr. DORIA. Well, there was a mortgage, from the standpoint of the purchase; yes. There was a \$26,000 mortgage.

Mr. KENNEDY. The Moss Construction Co. at that time did not have a mortgage?

Mr. DORIA. The mortgage was carried by the people from whom I purchased the home.

Mr. KENNEDY. So, you were having the construction done on your home. Is it not a fact that the union moneys were used initially to pay for the work done on your home?

Mr. DORIA. No; it was at no time. That was deducted from the union's funds completely.

Mr. KENNEDY. What do you mean?

Mr. DORIA. Here is the record. If you will permit me to tell you all of it—after all, you are not having trouble with me on the fifth. Let me talk, if I want to talk.

Mr. KENNEDY. I am not sure this is better.

Mr. DORIA. You ought to make up your minds on what procedure you want before the committee. I cannot determine that. But the thing is I hired the Moss Construction Co. to carry out the remodeling of my home. I instructed the Moss Construction Co. to give me individually billing for the work done on my home. About 4 to 6 weeks had elapsed, and I requested the billing on my home. The individual that we had working with us at the time, that was helping supervise the remodeling of the building, apparently was instrumental in not getting the billing to me.

Mr. KENNEDY. He was stopping you getting billed for the work done?

Mr. DORIA. That is right. I thought that that was the situation. I went to both of them, both to J. Moss, and to this individual, Martin Lenczer, and I told them, I said, "Look: I don't know what you fellows have in mind, but I want the billing on my home."

Mr. KENNEDY. You were mad because they were not sending you a bill?

Mr. DORIA. That is right. I was in enough turmoil at the time, and I knew what this could be used for, and I wanted the billing on my home straight.

Mr. KENNEDY. They wouldn't send it to you?

Mr. DORIA. Moss would, but Martin Lenczer at the time said, "You will get it." Finally, the weekend came, and I said, "Where is the billing on my home?" They wouldn't give it to me.

Mr. KENNEDY. My gosh!

Mr. DORIA. They met in my hotel room and both got into a fist fight over that issue.

Mr. KENNEDY. Over whether Moss would send you the bill?

Mr. DORIA. Over whether or not these bills should be forthcoming to me, because this individual took the position that he had been made boss of the project.

Mr. KENNEDY. Was he cutting off your mail?

Mr. DORIA. He was not cutting off mail, but Moss was not sending billing through. Later on, I found out that, because he had the work done on his home, which the union had agreed to, with nothing irregular, on his home, he thought that by that means I would not keep tab on the expenditures over the entire project. When that

happened and they got into a fist fight over it, I said, "I have had enough over it."

Mr. KENNEDY. What was the fight about?

Mr. DORIA. Over the issue of whether or not I was entitled to a direct accounting on their operations.

Mr. KENNEDY. Lencer said you were not entitled to an accounting?

Mr. DORIA. Lencer made one statement and Moss called him a liar.

Mr. KENNEDY. Why didn't Moss send you a bill to the home? You were dying to get the bill.

Mr. DORIA. Moss was in this position. By virtue of the fact that Lencer had been designated as the individual by whom the work would be done, Moss didn't know whether to follow his advice or mine.

Mr. KENNEDY. Isn't it a fact that you were trying to get Lencer to go along with this?

Mr. DORIA. No. The reverse is the fact.

Mr. KENNEDY. Isn't it a fact that some \$8,285.02 of union money was used in the construction work done on your home?

Mr. DORIA. That is positively wrong; positively wrong. I still hold the mortgage on my home for the total amount, and you have in your possession the billing that shows the deduction.

Mr. KENNEDY. Mr. Doria, is it not a fact that you did not give that mortgage until Mr. Lencer sued you, until this year?

Mr. DORIA. I had a note prior to that, Mr. Kennedy, and the note was sufficient as long as I remained with the union.

Mr. KENNEDY. Mr. Doria, is it not a fact that when we were out in California and asked you for that note, some 6 months ago, you didn't have the note to give to us?

Mr. DORIA. Why would I have the note? I had the note in favor—

Mr. KENNEDY. Isn't it a fact that you didn't get the mortgage until after we interviewed you in California?

Mr. DORIA. No. The mortgage came after I left the union.

Mr. KENNEDY. Right. Just within the last 2 or 3 months?

Mr. DORIA. Longer than that, I believe; over 6 months.

Mr. KENNEDY. The construction work was done in 1954?

Mr. DORIA. That is right.

Mr. KENNEDY. You didn't get the mortgage until—

Mr. DORIA. That is exactly right. But here is the story.

Mr. KENNEDY. Have you paid them the money yet?

Mr. DORIA. No; I have not paid them.

Mr. KENNEDY. You have not paid them for the work?

Mr. DORIA. At that time I lent Loomis some money that was supposed to be returned to me. The photogrammetry job that he went on did not materialize. Loomis was unable to refund the money which I had lent him, from which I expected to pay this. As a result, I wrote a note in favor of the Moss Construction Co. They were not worried about the note as long as I remained with the union. When they found out that I had resigned, they wanted more security. I went to the Moss Construction Co. and then told them that until my repayment from Loomis, if they wanted more security, the only security I could give them was a mortgage, a second mortgage on my home. They took the second mortgage on my home.

Mr. KENNEDY. Through August, September, October, and November, wasn't it a fact that the union was billed for the work done on your home? Whether that was through Mr. Lencer sneaking in and grabbing your bills and making this union pay for them or however way it was done, it was done. Is that correct?

Mr. DORIA. Within 2 weeks after Lencer was discharged, I got my first billing.

Mr. KENNEDY. When was he discharged?

Mr. DORIA. I think approximately the end of September or October. I don't recall.

Mr. KENNEDY. Prior to that time, is it not a fact that the union was paying for the work done on your home?

Mr. DORIA. Not to my knowledge; no, because I had demanded separate billing and got my separate billing, and got my separate charge.

Mr. KENNEDY. But, prior to that, through August, September, October, and November, is it not a fact that you did not pay any bill yourself?

Mr. DORIA. I have never paid that bill.

Mr. KENNEDY. Is it not a fact that the union was paying for the bill—

Mr. DORIA. That bill was never paid for by the union, either. I wish they had.

Mr. KENNEDY. You wish what?

Mr. DORIA. I say if they wanted to give me a gift of that, I would have been more than happy to accept it.

Mr. KENNEDY. Is it not a fact that the union moneys were used to pay for this work up until November when you discharged Lencer?

Mr. DORIA. No. If the deduction is made in the billing by the Moss Construction Co. in a total amount, will you explain to me how the union could possibly have paid for it?

Mr. KENNEDY. The deduction was not made until after Lencer was discharged.

Mr. DORIA. The deduction was not made until a later billing and the work on my home was completed. But the deduction was made from the bill submitted to the union to indicate quite clearly that the work done on my home was never at any time charged to the union.

I merely used the Moss Construction Co. because of convenience. I needed short, sporadic work done. I couldn't hire men in Los Angeles with the kind of building that goes on there. As a matter of fact, the reason my bill is that high is that I had to pay some of those workers overtime to come in and do work on my home.

Mr. KENNEDY. Why was it necessary to deduct anything from the union bill?

Mr. DORIA. Because of the fact that that entire job was being run together by the Moss Construction Co., including Lencer's job.

Mr. KENNEDY. So, was the bill sent into the union during this period of time for the work that was done in your own home?

Mr. DORIA. There was always an outstanding unpaid balance to the Moss Construction Co. that represented more than the amount of work done on my home.

Mr. KENNEDY. But was there any indication from the Moss Construction Co. of the work that was done, the part of the work that was

done on your home and the part of the work that was done on the union?

Mr. DORIA. There was a complete separate billing; yes.

Mr. KENNEDY. Prior to November 1954, was there?

Mr. DORIA. Yes. I got my first billing, and I think you have a photostatic copy of it, during the process of the work, and I got my second billing during the process of the work, and then the total amount was deducted when the work was completed on the building, or immediately prior to that.

Mr. KENNEDY. Why do you say "deducted"? Who would you deduct it from, if you got separate billing?

Mr. DORIA. They were running a material job, including these items: Lencer's home, my home, and the union building.

Mr. KENNEDY. Just tell me this: Were the bills for the work done to your home sent to the international union?

Mr. DORIA. No. They were sent to me. The billing on the work on my home was sent to me.

Mr. KENNEDY. I don't understand why you say there has to be a kind of deduction.

Mr. DORIA. Because of the fact that the Moss Construction Co. was running the 3 jobs under 1 booking, and, as a result, the work that went into my home, when the total was established, was deducted from the total of the union building.

Mr. KENNEDY. Why is there any connection between the two? They were sending the bill, according to your testimony, they were sending your billing to your home, or they were sending it to you. Why does there have to be a deduction?

Mr. DORIA. Well, I requested that, in order to retain a record, because at the time that Lencer was discharged the charges were made, and a complete investigation was conducted by the officers of the union, with respect to the billing. You see, this happened concurrently with the work being done on the building. I would like to read to you the letter that caused all this to become an issue, which you have.

Mr. KENNEDY. I don't understand how it could be an issue. The bills, according to your testimony, were separate billings. You were receiving the bills for the work done on your home, and the international was receiving the bills for the work done on the international; is that right?

Mr. DORIA. That is right. But they all came from one major account that was being run by the Moss Construction Co. That included Martin Lencer's home, the bills on my home, and included the bills on the remodeling of the building. In order for me to be able to segregate my obligations to them——

Mr. KENNEDY. Why did they not send a bill on how much you owed?

Mr. DORIA. If they needed material, if they bought plywood, the Moss Construction Co. bought plywood for the total job, Lencer's job, my job, the union job.

Mr. KENNEDY. Who would they charge for that?

Mr. DORIA. Along with keeping a general account, they would show a separation for Lencer's home——

Mr. KENNEDY. Who would they charge the plywood to?

Mr. DORIA. The Moss Construction Co.

Mr. KENNEDY. Who would the Moss Construction Co. charge?

Mr. DORIA. The Moss Construction Co. added it to the total job, and from the total job issued separate billing for Lencer's home and my home.

Mr. KENNEDY. And sent them to you?

Mr. DORIA. They sent me, on two occasions, the recapitulation that applied to my home.

Mr. KENNEDY. Who was trying to keep the bills away from you?

Mr. DORIA. Those bills didn't come until Lencer was discharged.

Mr. KENNEDY. That is my point. You didn't receive the bills during that period of time.

Mr. DORIA. Yes; I did, because Lencer was not there when the building was completed.

Mr. KENNEDY. But you did not receive any bills prior to the time Lencer was discharged?

Mr. DORIA. That is right, but that was only about 4 to 6 weeks of the operation. The operation continued until September or later.

Mr. KENNEDY. When was he discharged?

Mr. DORIA. I don't recall the date. I think it was the latter part of September or so. But we moved into the building before it was done, and it was in September and the work continued.

Mr. KENNEDY. On July 29, there was an invoice sent to the international union for \$3,237, for work done at the union, United Auto Workers. Part of that work was done in your own home; is that correct?

Mr. DORIA. I don't know how Moss handled it.

Mr. KENNEDY. You have been testifying for 10 minutes that you knew how Moss was handling it.

Mr. DORIA. I told him how to handle it, but I was not getting that kind of a report. You have a letter there that I wrote to Lencer with respect to it. Won't you put it into the record? That happened concurrently with the activity.

Mr. KENNEDY. The facts are, according to your testimony, that the Moss Construction Co., over your opposition was billing the international union for the work done in your home.

Mr. DORIA. That is right.

Mr. KENNEDY. Why didn't you say that 10 minutes ago?

Mr. DORIA. I am not given a chance here to say very much of anything. Apparently, you testify on the basis of your preconceived notions of this, or it is not satisfactory.

Mr. KENNEDY. No; I said at the beginning, as I understood the facts, that the Moss Construction Co. was billing the international union for the work done on the international union and your home.

Mr. DORIA. There was never any arrangement whereby—

Mr. KENNEDY. I did not say there was an arrangement. This may have been over your opposition and all a plot by Mr. Lencer to make the union pay for the work done on your home.

Mr. DORIA. Not a plot to make them pay for my home, but a plot to put me in a position where I could not object to what went into his home. Let's face it.

Mr. KENNEDY. You kept telling Mr. Moss to please send the bills to you?

Mr. DORIA. No, I didn't say "please." It was not in that kind of language.

Mr. KENNEDY. What did you say?

Mr. DORIA. I don't think we ought to say it in the presence of ladies.

Mr. KENNEDY. And still he wouldn't send them?

Mr. DORIA. No. He said, "Tony, I would like to know who I am working for."

Mr. KENNEDY. Did you make out the checks to pay for that?

Mr. DORIA. No. For a long time Lencer made out the checks through his research consultants.

Mr. KENNEDY. Did you sign them?

Mr. DORIA. No, he signed the checks.

Mr. KENNEDY. That is a very unusual situation, Mr. Doria, where you get work done and can't get the bills for it.

Mr. DORIA. I objected to the situation when Lencer was put on. I objected to it in Milwaukee. It was done without my approval, without any approval, and, finally, because I didn't want to accept Lencer as any individual responsible for the job. I thought we should retain the responsibility for the job.

Mr. KENNEDY. The total on the bills was \$8,285.02, which Mr. Lencer didn't want you to pay. Of course, when you and Mr. Lencer had the breakup, that was ultimately deducted from the union, and I believe you may have given a mortgage.

Mr. DORIA. No, it was not done ultimately when we broke up at all, because the work continued beyond Lencer staying with the union. That was done when the work was completed. When the work was completed I got a final billing from Moss for the whole thing. I gave the Moss Construction Co. a note for the total amount from me.

Mr. KENNEDY. That has been lately?

Mr. DORIA. No, the note was given away back. The thing that happened lately was, as I pointed out—and I will repeat again; I will be very cooperative in the matter—I was called in by Moss and they said, "Tony, we didn't worry about your note while you were with the union but now, I think, since you left the union we ought to have more security," and on the basis of that note was converted into a second mortgage which the Moss Construction Co. holds against my property.

Senator CURTIS. What was done with the note?

Mr. DORIA. The note was destroyed when the mortgage was issued and the new mortgage note replaced it.

Mr. KENNEDY. Where did you stay before you bought your house?

Mr. DORIA. Well, I personally stayed at the Beverly-Wilshire Hotel.

Mr. KENNEDY. At the Beverly-Wilshire Hotel? How much was your room there?

Mr. DORIA. I don't remember. There is probably billing on it. We had our offices there, as a matter of fact. We had temporary offices in the Beverly-Wilshire Hotel.

Mr. KENNEDY. How long did you stay there?

Mr. DORIA. Until the building was completed.

Mr. KENNEDY. A couple of months you stayed there?

Mr. DORIA. Well, the international headquarters was moved out of Milwaukee earlier on the basis of the original schedule that we had

for the building and, as a result, they got into Los Angeles with all the equipment and everything else, which we stored temporarily, in advance of the building being completed, by virtue of the fact that the building——

Mr. KENNEDY. How long did you stay at the hotel?

Mr. DORIA. I don't remember.

Mr. KENNEDY. A couple of months?

Mr. DORIA. I think it was every bit of a couple of months.

As I stated, we had the offices there, too, in my own suite.

Mr. KENNEDY. Your room there was \$25.50 a day.

Mr. DORIA. Well, the room that I occupied there was not only my room but also a partial office of the international union at the time while we were awaiting the building to be completed.

Mr. KENNEDY. Between Earl Heaton, whose bill was only \$276.60, Earl Heaton, Anthony Doria, and George Grisham during that period of time cost the union \$12,050.97.

Mr. DORIA. It was very expensive to try to use a hotel for a headquarters, yes.

Mr. KENNEDY. Was it comfortable there?

Mr. DORIA. No, it was uncomfortable, because of the fact that we had no facilities for office operations.

Mr. KENNEDY. To move from Milwaukee out to Los Angeles cost the union \$73,066.85.

Mr. DORIA. \$73,000 to move from Milwaukee?

Mr. KENNEDY. The total cost of moving, including loss on the Milwaukee building.

Mr. DORIA. Well, I don't know—loss on what?

Mr. KENNEDY. On the Milwaukee building.

Mr. DORIA. What was the loss on the Milwaukee building?

Mr. KENNEDY. How much was it? You tell us about the building.

Mr. DORIA. May I have my records on the building that I gave you?

Mr. KENNEDY. Before you go into that, the building out there cost you about \$400,000 and your hotel bills about \$12,000 and the other expenses were quite considerable. How many members did you have on the west coast of the UAW?

Mr. DORIA. If we had members on the west coast we wouldn't have moved there. We moved there to obtain members. That was the object.

Mr. KENNEDY. How many members did you have that you spent this——

Mr. DORIA. That was not spent for that purpose, Mr. Kennedy.

Mr. KENNEDY. How many members did you have out there?

Mr. DORIA. There were practically no members on the west coast. We moved there for the purpose of obtaining members.

Mr. KENNEDY. Where were your members?

Mr. DORIA. In the Midwest and they had regional offices.

Mr. KENNEDY. You moved out of Milwaukee, the Midwest, to Los Angeles, at a cost of about \$500,000?

Mr. DORIA. No, not at any cost of \$500,000. That is absolutely ridiculous.

Mr. KENNEDY. That is about what it cost the union.

Mr. DORIA. It did not cost the union that.

Mr. KENNEDY. How many members have you on the west coast now?

Mr. DORIA. We have about 4,000.

Mr. KENNEDY. Four thousand?

Mr. DORIA. Yes.

Mr. KENNEDY. That is about \$10,000 a member.

Mr. DORIA. Wait a minute. Before we moved to the west coast, approximately \$250,000 had been spent, with the result that 26 consecutive elections were lost, the union had approximately 387 members, after the expenditure of \$250,000, and you can add up anything you want as a cost of moving to the west coast and prorate it on the membership that was acquired there by virtue of moving the headquarters and you will see that the move was not only justifiable but something that could have built the international union.

Now, with respect to the building, the building in Milwaukee was, naturally, abandoned when we moved to the west coast. The building was for sale after that. We obtained an appraisal through Mr. Peter Schaeffer, MAI—I don't know what that means, Masters Appraisers Institute or something like that—and these were the appraisals on the building: The cost approach was \$94,300, the income approach was \$91,700, the market data approach was \$90,000, and the fair market value was \$92,000. He made those appraisals.

By virtue of the fact that I had been in business with Spiros Kallas in the real-estate business in Milwaukee, Kallas came and wanted a listing on the building. I prevailed not to give Kallas an exclusive listing on the building because of our prior relationship and told Heaton and told the board that I didn't want Spike to have an exclusive listing on the building.

Mr. KENNEDY. Where are we now? What period of time?

Mr. DORIA. We are at the period when we are trying to sell the building in Milwaukee.

Mr. KENNEDY. Which is when?

Mr. DORIA. Around March 15, 1954, when the business——

Mr. KENNEDY. In 1954 you were still a partner of Kallas?

Mr. DORIA. Yes.

Mr. KENNEDY. Well, you said that because of that——

Mr. DORIA. I am speaking of the present tense, that formerly he was a partner of mine. But until the beginning of 1955, I was a partner of Kallas. We dissolved our partnership in January of 1955.

On March 15, 1954, the only semblance of a listing was given to Kallas and the Badger Realty Corp. on a nonexclusive basis.

Mr. KENNEDY. That was to you and to him?

Mr. DORIA. That was to Kallas; not to me.

Mr. KENNEDY. Were you not in the Badger Realty Co.?

Mr. DORIA. Yes, I was.

Mr. KENNEDY. Then you and Kallas were in the Badger Realty Co.?

Mr. DORIA. That is right. But it was on a nonexclusive basis. Kallas, as a result, advertised that building for 12 months, going beyond the breaking up of our partnership. At the end of 12 months, the best offer that had been made on that building was \$62,000, and every real-estate company in the city had an option to sell that building.

There were people brought through it. One offer was for \$55,000, the other was for \$62,000.

Mr. KENNEDY. By whom?

Mr. DORIA. One was made, I believe, by the bartenders local out of Milwaukee, for \$55,000, and I believe the other one was made by——

Mr. KENNEDY. Who made the offer?

Mr. DORIA. I don't recall that. Kallas had the figures on that.

Mr. KENNEDY. We have talked to Kallas and he says he doesn't have one bid.

Mr. DORIA. Then they came through the other real-estate people. I don't recall that.

Mr. KENNEDY. Just tell us the name of the person who made the bid.

Mr. DORIA. I don't know that. I was advised by some of the real-estate people there that those were the bids that were available to us.

Mr. KENNEDY. Who advised you?

Mr. DORIA. I don't know. I think Mr. Schaeffer, for one, when he showed the building. We even had a meeting of the Masonic board in the building for them to determine——

Mr. KENNEDY. I am not asking about the meeting.

Mr. DORIA. I don't know. That was part of the scuttlebutt that went on as to what the the building could be sold for.

Mr. KENNEDY. Scuttlebutt?

Mr. DORIA. That is right. There was no offer tangible enough or none followed by a deposit with offer to purchase. Around March 16, 1955, Heaton came to me and said, "Look, we are paying taxes on that building, we are maintaining it through the winter in Milwaukee. Let us find out what we can do to dispose of it as quickly as possible."

Mr. KENNEDY. Let us go back. Some of these dates are of some interest. January 19, 1955, you withdrew from the corporation?

Mr. DORIA. That is right.

Mr. KENNEDY. January 31, 1955, there was an application by Kallas to the Beacon Federal Bank for a loan of \$54,000 for the purchase of that building, is that right?

Mr. DORIA. Yes. I think that was—I don't know whether it was for Mr. Spiros Kallas and Victoria Kallas, his wife, or who it was.

Mr. KENNEDY. Why did you go right to March?

Mr. DORIA. What?

Mr. KENNEDY. It was before March, then, that Mr. Kallas became interested in the building?

Mr. DORIA. I don't know those facts. I don't know what Kallas was doing after I left him.

I no longer know what he is doing. I can't testify what he did.

Mr. KENNEDY. This is 11 days. Were you with Kallas? Did you have any other business interest with Kallas at the time?

Mr. DORIA. I don't know whether at that time I had another business interest with him or not, because we did form Trans-America at a later date for the purpose of handling commercial property.

Mr. KENNEDY. Did not Trans-America at that very time also make a request of a loan of \$54,000 from the Beacon Federal Bank?

Mr. DORIA. I don't know that, because I was not——

Mr. KENNEDY. You were one of the officers.

Mr. DORIA. I did not handle the affairs. Trans-America died for this reason——

Mr. KENNEDY. I am not interested in why it died.

Mr. DORIA. That is important, because it goes to the basis of the whole thing. Trans-America was organized——

Mr. KENNEDY. Let us go back to the purchase of the building. Trans-America made a request from the Beacon Federal Bank for a loan of \$54,000 while you were an officer.

Mr. DORIA. I don't know anything about that.

Mr. KENNEDY. That is interesting.

Mr. DORIA. I don't know anything about that because of this fact; and if I give you the facts then you will understand it. If I am to be precluded from giving you the facts, let's go to something new.

Trans-America was organized for the purpose of buying commercial property in Milwaukee and in Los Angeles.

Mr. KENNEDY. That is fine. The point is——

Mr. DORIA. The thing was almost automatically dissolved by virtue of the fact that Trans-America happens to be the corporate name of one of the organizations connected with the Bank of America. We, therefore, could not get a license to operate in California under Trans-America.

Mr. KENNEDY. That has nothing to do with this.

Mr. DORIA. When we could not operate, I told Spike to sever all the relationships, and I got into Trans-America through a loan from Spike Kallas.

Mr. KENNEDY. I am not interested in that. The point is that at that time you were partners with Mr. Kallas in Trans-America?

Mr. DORIA. That is right.

Mr. KENNEDY. Now go ahead.

Mr. DORIA. On March 16, and this I got from Kallas himself because I wouldn't even know this. Kallas offered \$80,000 for the building, to purchase it on a wholesale basis.

The CHAIRMAN. A wholesale basis?

Mr. DORIA. Yes. He was a dealer. He would not buy at market prices.

The CHAIRMAN. I did not know you wholesaled real estate.

Mr. DORIA. Well, what is so novel, Mr. Kennedy, about the purchase of real estate, buying on a wholesale basis for the purpose of resale?

The CHAIRMAN. I never heard that term applied to it before.

Mr. DORIA. It is being used every day.

Heaton, at that time——

Mr. KENNEDY. That is March 16?

Mr. DORIA. Approximately. It may have been prior to that. I again advised Heaton of the fact that, after all, Spike and I were partners and former partners on March 16, and that I did not want to be involved in the negotiations for price. Naturally, as an officer, I would have had to sign the conveyance papers.

The price was agreed to at \$80,000 between Heaton and Kallas, and when reported to me it represented \$18,000 more than the best offer I had even heard about, even through rumors.

The building was sold to, I think, Kallas and his wife, operating within that real-estate company, for \$80,000 on these terms: \$50,000 in cash and \$30,000 in a second mortgage. The papers were signed and the building was conveyed.

Mr. KENNEDY. Who advanced the \$30,000 on the second mortgage?

Mr. DORIA. There was no advance. We merely carried a second mortgage against Kallas.

Mr. KENNEDY. Who is "we"?

Mr. DORIA. The international union.

Mr. KENNEDY. So you took the second mortgage?

Mr. DORIA. That is right, at 6 percent, against Kallas, on an amortized basis to be paid on a monthly basis.

Mr. KENNEDY. And Kallas had been able to borrow the \$54,000 from the Beacon Federal Bank?

Mr. DORIA. With whom he did business all the time.

Mr. KENNEDY. So he raised \$84,000 and he made \$4,000 out of the project without even starting?

Mr. DORIA. Kallas made it very clear to us that he would not operate without commissions on any transactions and it was the proper commission under the regulations that ensued in Wisconsin at the time. Now, after that, and this is what followed the convention, the building was sold—

Mr. KENNEDY. On March 18, did you receive a loan or receive some money from Kallas, 2 days after the building was conveyed?

(At this point, Senator Goldwater entered the hearing room.)

Mr. DORIA. I don't know when I received a loan from Kallas, but I did receive a loan from Kallas when we went into the mining venture together.

Mr. KENNEDY. The building was conveyed on March 16 and you received a \$5,000 check on March 18?

Mr. DORIA. That had nothing to do with that.

The \$5,000 check was a loan from Kallas with which I got into Trans-America with him. It did not pertain to this. It had no bearing on the union relationship at all.

(At this point, Senator Curtis withdrew from the hearing room.)

Mr. DORIA. When the building was sold to Kallas—do you want to ask a question?

Mr. KENNEDY. What was the \$5,000 for?

Mr. DORIA. The Trans-America organization, which I brought out here before, for the purchase of commercial building. I was to operate in Los Angeles, and he was to operate in Milwaukee.

The building was later sold for \$115,000 on a land contract.

Now, this is the thing that I understand Morris Weintraub could never understand when he testified before the committee.

Mr. KENNEDY. Let's get the dates. March 16, 1955, the building is sold to Kallas for \$80,000?

Mr. DORIA. That's right. On May 3, 1955—

Mr. KENNEDY. That is about 6 weeks later?

Mr. DORIA. The building is sold to the Hallobee Corp.

Mr. KENNEDY. For how much?

Mr. DORIA. For \$115,000 on a land contract, \$15,000 down. Kallas continues to assume both mortgages, does not pass title to the building, he retains title to the building, and on that basis the conveyance was made. This was the matter that was supposed to defeat me in the 1955 election.

Mr. KENNEDY. The union at that time had the second mortgage?

Mr. DORIA. That is right and the mortgage continued because under the land contract there is no title that passes.

Mr. KENNEDY. What happened after that?

Mr. DORIA. After that, the most significant thing to me, I don't know how significant it may be to the committee, was this letter that was written by Taylor.

Mr. KENNEDY. Wait a minute. What happened to the building then?

Mr. DORIA. I don't know.

Mr. KENNEDY. The building was sold again on August 2, 1955 for \$125,000.

Mr. DORIA. That I know nothing about because that was a transaction that involved them.

Mr. KENNEDY. You did not know anything about that?

Mr. DORIA. Well, I heard about the sale of the building because I think it went to the merchant police.

Mr. KENNEDY. You have two people mentioned in a couple of months, one buying the building for \$115,000 and one buying the building for \$125,000.

Mr. DORIA. Let's get to the end of the story.

Mr. KENNEDY. The union assumed the mortgage; did they not?

Mr. DORIA. No, Kallas assumed the mortgage. The mortgage was due to the union, so Kallas assumed the mortgage.

Mr. KENNEDY. Did the union get paid off the \$30,000?

Mr. DORIA. That's right.

Mr. KENNEDY. When was that?

Mr. DORIA. When the merchant police got into the building, their attorney contacted this——

Mr. KENNEDY. When was that?

Mr. DORIA. I don't recall the dates.

Mr. KENNEDY. But it wasn't right in——

Mr. DORIA. No, that was long after the merchant police took over. When the merchant police took over the building, they wanted to pay off the building and we had a \$30,000 mortgage which was amortized and being paid on a monthly basis.

They contacted us, the international union, and asked us what discount we would give them on the second mortgage if they paid it off in cash in one lump sum. We gave them a discount of \$20,000 for a lump-sum payment.

The present owner of the building, I believe it is, paid off the second mortgage to the international union on that basis. During that time, we had accumulated, I think, approximately \$1,800 in interest that had been paid to the union on the amortized payments, and so the union got approximately \$30,000.

Mr. KENNEDY. On June 29, 1954, you transferred the union, the international union, from the holding company. This building was transferred from the holding company to the international union?

Mr. DORIA. It was transferred, but I can't verify the date. It was handled by the accountant.

Mr. KENNEDY. Were any of the members of the holding company informed that the building was being transferred?

Mr. DORIA. Certainly, the whole board knew it from the time that we moved to California, that it was with the object of selling the building.

Mr. KENNEDY. Were any of them informed that it would be transferred from the holding company?

Mr. DORIA. To my knowledge, they were all informed of it.

Mr. KENNEDY. Well, they state to the committee that they did not.

Mr. DORIA. Some have stated that, but let me tell you why that was done. That goes back to the 1955 convention and this—

Mr. KENNEDY. Let me go on. January 19, 1955, you withdrew from the corporation. January 31, 1955, there was an application to the Beacon Federal Bank for a \$54,00 loan by Kallas and also a \$54,000 loan by Transamerica, in which you were an officer.

On March 12, 1955, which is a date you did not mention, there was a lease from Transamerica Enterprises to Olsen Radio, a lease for space in that building.

Mr. DORIA. Well, if Olsen Radio had a lease from Transamerica, they were leasing something that Transamerica did not have.

Mr. KENNEDY. That is what is so peculiar.

Mr. DORIA. They didn't have it. I, at no time, had any knowledge that Transamerica owned anything other than a building formerly occupied by the Beacon Federal, which was the only transaction that I think was conducted under Transamerica, and the stock and the company and all was sold when that was disposed of.

Mr. KENNEDY. It would appear that Trans-America at least, and the officers being you and Kallas, felt that you had some ownership in the building at that time.

Mr. DORIA. It is either a mistake on the part of Kallas, or what it is I don't know. But I don't see how anyone could have leased a building from Trans-America when Trans-America at no time registered title to it.

Mr. KENNEDY. On March 16, the loan from the bank was approved and the building purchased for \$80,000 with the union taking a second mortgage of \$30,000.

Mr. DORIA. Right.

Mr. KENNEDY. On March 18, you received \$5,000 from Kallas.

Mr. DORIA. That was a loan to establish Trans-America.

Mr. KENNEDY. Then on May 3, the building was sold to Hallobee Corp. for \$115,000 and on August 2, 1955, the building was sold for \$125,000 to Leach and in between that, on June 21, 1955, you received a check from Kallas of \$9,000 and then on January—

Mr. DORIA. That had nothing to do with the building or anything else. That check was for mining investments.

Mr. KENNEDY. Then on January 7, 1956, you received another check of \$11,000.

Mr. DORIA. That is right. That was also on the mining investments.

Mr. KENNEDY. You wanted to go in business together?

Mr. DORIA. No, we weren't in business together. We don't control the majority of the royalty interests in that mine. But with respect to the building, this \$115,000, I would like to give you some figures on it, because of the smear that has accompanied the selling of that building.

The best mortgage that was obtained on that, that stayed out in cash, was approximately \$50,000.

Mr. KENNEDY. You have given the explanation on the facts.

Mr. DORIA. I would like the committee to have the figures on this, as to who profited on the building.

Mr. KENNEDY. I think that the figures speak for themselves.

Mr. DORIA. Look; I am asking to put it into the record. If you refuse it, I want the record to show that I offered it and that you refused it.

The CHAIRMAN. What are you offering for the record?

Mr. DORIA. I am offering, for the record, to show why the transactions changed these figures. There is the implication here that since the building once sold for \$115,000 and resold for \$125,000, there was something wrong about the original sale. I would like to clear those figures.

The CHAIRMAN. It started out, and you sold it for \$80,000?

Mr. DORIA. That's right.

The CHAIRMAN. That was what date?

Mr. DORIA. That was May 16, I believe, 1955.

Mr. KENNEDY. March 16.

Mr. DORIA. March 16, 1955.

The CHAIRMAN. On March 16, the union sold the building for \$80,000?

Mr. DORIA. Right. Subsequently——

The CHAIRMAN. Wait a minute. It sold again for \$115,000 on May 3. That is about 6 weeks, I calculate. The building sold for \$115,000.

Mr. DORIA. There, I would like to make an explanation.

The CHAIRMAN. Just a moment. I will let you make an explanation. The next sale is August 2, and the building sold for \$125,000. What is it you want to get into the record?

Mr. DORIA. Here is what I want to get into the record: Since the original mortgage was on the building for a figure of approximately \$50,000, the \$115,000 sale on a land contract with only a \$15,000 down-payment represents \$65,000 that is in the same category as a second mortgage, from the standpoint of the value of securities. On the Milwaukee market, since I was also in the buying and selling of second mortgages, second mortgages sold for a 40-percent discount, if you wanted to realize cash. When you take 40 percent of \$65,000, which is the equivalent of a second-mortgage evaluation, you subtract \$26,000 from the \$115,000, and you find that the actual cash value for which the building was sold was only \$89,000, not \$115,000.

The CHAIRMAN. Now, we go back a little further. You took—just a moment. You said that the union, when it sold, took a \$30,000 second mortgage; is that correct?

Mr. DORIA. That is right.

The CHAIRMAN. Well, then, instead of getting \$80,000, actually, if that mortgage was only worth 40 cents on the dollar, or, rather, you have to discount the 40 cents on the dollar——

Mr. DORIA. Don't go too far, Mr. McClellan, because you have the facts before you. Don't go too far, Mr. McClellan, because you already have the value before you.

The CHAIRMAN. Just a moment. You took a second mortgage, which you could only sell at a 40-percent discount. Then, instead of getting \$80,000, you take \$12,000 off for the 40-percent discount, and that is \$18,000, and you have 50 and 18, which would be \$68,000 in value, according to your testimony.

Mr. DORIA. Are you interested in actually what happened, or do you want to place a construction of your own on it? You have before you, sir——

The CHAIRMAN. I took yours.

Mr. DORIA. You have before you, sir, the fact that we only discounted our second mortgage \$2,000.

The CHAIRMAN. Yes. All right; that also is significant, because it contradicts what you said about how you cannot sell them without a 40-percent discount.

Mr. DORIA. Would you check on what Kallas disposed of his interest in the building, and what kind of a discount he gave in order to get cash, and find out if I am right?

The CHAIRMAN. Well, I do not know.

Mr. DORIA. Well, I know, but we should know all the facts before we attempt to smear.

The CHAIRMAN. I am not attempting a smear.

Mr. DORIA. I am not accusing you of doing that, Mr. McClellan, but the facts indicate that, as far as I am concerned, the way they are being presented.

The CHAIRMAN. Let us get this straight. The committee is not smearing you. It is giving you every opportunity to make explanation of everything that has come to this committee by way of evidence as a result of this committee's investigation.

Mr. DORIA. Well, if what I said was construed as indicating that I am alleging a deliberate smear on the part of the committee, I don't mean that.

The CHAIRMAN. All right. We will proceed with that understanding.

Mr. DORIA. Now, let's proceed further. During the same period of time that this was appreciating from \$80,000 to \$125,000, we have a condition in Beverly Hills, where the other building was purchased, where we purchased 171 feet on Wilshire Boulevard in Beverly Hills——

The CHAIRMAN. What has that to do with Milwaukee?

Mr. DORIA. It has a lot to do, to show whether the union made money or lost money. We purchased that at \$625 a front foot. Today the value is \$2,000 per front foot. All I have to say is that I am a man that always accepted my responsibilities. If the union now, or at any later date, wants to hold me responsible for both transactions, if they will give me about \$35,000 that they made in that transaction, I won't complain.

The CHAIRMAN. What did you say? You are a man of what responsibility?

Mr. DORIA. Great responsibilities. I can accept my responsibilities.

The CHAIRMAN. You can accept them?

Mr. DORIA. Yes.

The CHAIRMAN. Do you accept the responsibility of making an accounting to the union members for the funds that came into your little box?

Mr. DORIA. If the union members had so prescribed the procedure, that is the way it would have been done. But, when the union members prescribe the procedure that I go to Heaton, I go to Heaton, because I was working for them.

The CHAIRMAN. That is a pretty flimsy excuse; don't you think so? Mr. DORIA. It is not an excuse. It is a fact. It may not be what you desire; it may not be what you construe——

The CHAIRMAN. No; I want the facts.

Mr. DORIA. All I can give you is the facts.

The CHAIRMAN. I think it is the fact. But I think it is a fact that reflects upon, certainly, the management integrity of the union officials who handle the money of the union members in that fashion.

Mr. DORIA. Mr. McClellan, may I assure you, and this you can call witnesses on if you would like before this committee, that the last time that I made a change in the recordkeeping system of the union, my papers were yellow, and I held them for 7 years before we developed a ledger. There was not even a ledger in that union when I went in.

And the record, however, is this, if wrongdoing is implied: I went to this union, certainly, not to exploit it, because it only had \$1,600 when I came into it, and it was \$162,000 in debt. In a period of less than 10 years, my administration as secretary-treasurer showed records of over \$1½ million of net worth in that union, or approximately \$1½ million. I don't think that that was a very bad administration. If anybody wants to do it for me, I will give them \$1,600 any day to build to \$1½ million for me within a period of 10 years.

The CHAIRMAN. Well, there has been great growth in unions throughout the country, yours and others, during that period of time. No one here has any objections to the unions growing and prospering. But we do have a duty here to inquire into the way the union affairs are managed, to determine whether there are any improper practices. Your testimony here, of the way you handled that fund, is a very flagrant, improper practice, in my judgment.

Mr. DORIA. Those were the regulations; don't forget, Mr. McClellan, that I faced my board——

The CHAIRMAN. I don't care. You keep talking about regulations. I think the regulation was an improper practice, if you had such.

Mr. DORIA. Then, let's go back to the conventions that made the regulations, and those were the people that were governing themselves. If we are against self-government, let's state that, and say that the people now are not qualified to do it, and somebody will do it for them. We can move into a Fascist state tomorrow, on that basis.

The CHAIRMAN. I do not think you would move into a Fascist state tomorrow if there is an accounting of union funds.

Mr. DORIA. For years I have advocated that union accounting ought to be on the same basis as accounting for tax purposes. I have advocated that for years. I was in the process, by 1958, to have that kind of accounting in this union, in spite of the obstacles that I had.

Anyone that will study the systems that we had in our union will see that progress. But if you come in between—I am sorry; I would like to finish—but if you come in between and pick up the progress before it is completed, it can be criticized, because it has not attained its objective. But the objective was a proper one, and, I think, much more proper than most organizations have with respect to their accounting. But it was a hard thing to move to.

The CHAIRMAN. You do not want us to infer now, from your statement, that you handled your income-tax matters like you handled this money in the box, do you?

Mr. DORIA. My income-tax matters ?

The CHAIRMAN. Yes.

Mr. DORIA. No, because I was the sole judge and jury of my own income-tax matters, but I was not the sole judge and jury of the union matters. I still had to comply with what they would approve. The thing that seems to be forgotten, and that appears to me from the paper records that I see in all these hearings, is that a lot of the officers in these unions operate exclusively on the basis of regulations that were made by the membership, which they bound themselves to.

The CHAIRMAN. Let us see something else. The membership was a flagrant membership, because they did not have sense enough to protect themselves. Let us see if you had an obligation and duty to file reports with the Department of Labor for your union. Did you show in your reports the money you were carrying in the box ?

Mr. DORIA. No, because that was not the international union's money, as such.

The CHAIRMAN. Whose money was it ?

Mr. DORIA. It was the local union's money, under administratorship to the officers.

The CHAIRMAN. It was local union money until the local union went out of existence, and your constitution, in spite of any interpretation you try to place on it, says that it becomes the property of the international union. You had a duty, under the law, to report those funds. You concede that, for the years you were secretary-treasurer, you did not report, since the law required the reporting, you did not report the funds in the little box ?

Mr. DORIA. Because those local unions were no longer active. They had no opportunity to use any facilities of the agencies of the United States Government, and when they were defunct that is a practice that you will find with thousands of local unions.

The CHAIRMAN. You know that is not any reasonable excuse for not reporting those funds, because they came into the possession of the international.

Mr. DORIA. Mr. McCellan, I can't help what your opinion happens to be, Senator, but you will find that the practice with respect to defunct local unions will probably hew 98 percent to the procedure followed here, rather than the one you advocate, and I am not criticizing your procedure.

The CHAIRMAN. You are very helpful, because those things, in my book, are improper practices.

Mr. DORIA. I certainly am not here to try to prevent you from incorporating proper legislation in the statutes. I am not here for that purpose at all. In fact, there is a lot of that I, myself, would recommend.

The CHAIRMAN. I think your testimony suggests quite a bit of legislation, to me.

Mr. DORIA. Along with that legislation, I wish there would be some way found of determining on what basis an individual that gets into an organization, that can foresee the obligations of the organization, can get it implemented when it is a democratic organization.

The CHAIRMAN. These are photostatic copies of the reports filed. Since I have referred to them, I think you may identify them. I will make them an exhibit for the record. I hand you photostatic copies

of reports filed by your international union for the years 1951, 1952, 1953, 1954, 1955, and 1956, and 1950. They start with 1950 and go through 1956. I will ask you to examine them. They are, apparently, all signed by you. State if those are photostatic copies of reports you filed under the law.

(Documents handed to witness.)

Mr. DORIA. Yes; these, I think, are photostatic copies of reports that I have filed with the Department.

The CHAIRMAN. Those may be made in book an exhibit for reference, exhibit 90, for reference only, so they will be official in the record.

(The documents referred to were marked "Exhibit 90" for reference, and may be found in the files of the select committee.)

Mr. KENNEDY. Mr. Doria, you stated, in answer to the question of the chairman, that there was a provision in the constitution that would not allow you to make any accounting of these funds?

Mr. DORIA. No; I didn't state that. I stated that, in order to properly make an accounting of those funds, an audit procedure which the union never accepted and refused as recently as in the 1955 convention made it impractical to attempt to pick something out of the middle and say that we had an audit of it.

Mr. KENNEDY. Then you would not say there was a provision in the constitution or any regulation—

Mr. DORIA. I am saying there was an absence of regulation.

Mr. KENNEDY. Wait a minute—that there was any regulation which prevented you from making an accounting of these funds?

Mr. DORIA. I say there was an absence of regulations that would permit me to set up a system that would make auditing possible.

Mr. KENNEDY. You expended this money on international business?

Mr. DORIA. That is right.

Mr. KENNEDY. And they were not international funds?

Mr. DORIA. No. They were local-union funds under international administratorship.

Mr. KENNEDY. The local union wasn't in existence?

Mr. DORIA. No, but the money—

Mr. KENNEDY. Wait a minute. The money went into the international?

Mr. DORIA. Right; into the international office.

Mr. KENNEDY. And the international spent it for international business?

Mr. DORIA. That is right.

Mr. KENNEDY. And you say it was not international funds?

Mr. DORIA. No; it was the local-union funds under the administratorship of the international.

Mr. KENNEDY. The local union did not exist.

Mr. DORIA. That is right, but, as long as the administrator existed, the local number existed under that administratorship.

Mr. KENNEDY. Under the international?

Mr. DORIA. That is right.

Mr. KENNEDY. For example, these locals in Meriden, Conn., did not exist?

Mr. DORIA. Not as functioning locals, but under administratorship as locals.

Mr. KENNEDY. By the international?

Mr. DORIA. That is right.

The CHAIRMAN. The committee will stand in recess until 2 o'clock.

(Whereupon, at 12:27 p. m., the committee recessed, to reconvene at 2 p. m., the same day.)

(Members present at the taking of the recess: Senators McClellan and Goldwater.)

AFTERNOON SESSION

The CHAIRMAN. The committee will be in order.

(Members of the select committee present at the convening of the session were Senators McClellan, Ives, Goldwater, and Curtis.)

The CHAIRMAN. Proceed, Mr. Counsel.

TESTIMONY OF ANTHONY DORIA—Resumed

Mr. KENNEDY. Mr. Doria, why was Mr. Curcio selected to head up the New York operations?

Mr. DORIA. Well, in the discussion I had with Heaton, we both agreed that he seemed to be the most qualified and the logical man to take it over. That was about all there was to it.

Mr. KENNEDY. Had he been very close to Dio? Isn't that what you understood?

Mr. DORIA. He was close to Dio, because he worked out of the same local union at one time.

Mr. KENNEDY. Did you know, also, he had a prison record?

Mr. DORIA. Yes; I did.

Mr. KENNEDY. You just felt he was the best qualified to succeed Dio in New York?

Mr. DORIA. Well, Mr. Kennedy, as I testified earlier with respect to prison records, the prison records were something that existed when those people served their time.

Mr. KENNEDY. I understand.

Mr. DORIA. We didn't look at it on that basis. The police record was not the issue.

Mr. KENNEDY. We had a discussion of all of that.

Mr. DORIA. Let us put it this way: We did not let the police record be a determining factor, from the standpoint of holding it against him.

Mr. KENNEDY. We went through all of that yesterday.

Mr. DORIA. That's right.

Mr. KENNEDY. Tell me this, also, on another question on the New York situation: When you were discussing the taxicabs and moving the taxicab drive into the teamsters, did you meet with Harold Gibbons on that?

Mr. DORIA. I don't recall, Mr. Kennedy, whether I did or not.

Mr. KENNEDY. Do you think it is possible?

Mr. DORIA. I know Mr. Gibbons very, very well, and whether or not he was one of the individuals that I met at the time I don't recall.

Mr. KENNEDY. Do you think it is possible you might have discussed that with him in New York?

Mr. DORIA. I really don't know. The man that I remember that I met with was Dave Beck, himself, and Einar Mohn, of the teamsters.

Mr. KENNEDY. You have known James Hoffa a long time, have you?

Mr. DORIA. Oh, yes. I have been in the labor movement long enough to know James Hoffa for quite some time.

Mr. KENNEDY. Do you know him very well?

Mr. DORIA. I know him fairly well; yes. We have had no dealings together, but I know James Hoffa quite well, I believe.

Mr. KENNEDY. Have you had any business dealings with him?

Mr. DORIA. No business dealings.

Mr. KENNEDY. Any other kind of dealings with him?

Mr. DORIA. None, other than in the latter part of the taxicab situation in New York, when we were moving out, but, even then, I did not deal with Hoffa. I dealt with Beck and Einar Mohn, but I believe Hoffa was in one meeting.

Mr. KENNEDY. Who dealt with Hoffa, then?

Mr. DORIA. I don't know of anybody who dealt with Hoffa. I imagine a lot of people have dealt with him.

Mr. KENNEDY. Who dealt with Hoffa for you?

Mr. DORIA. No one ever dealt with Hoffa for me.

Mr. KENNEDY. Who dealt with him for the union, then? You said he was involved.

Mr. DORIA. I don't know of anyone who dealt with Hoffa, as far as the union was concerned. The most that Hoffa, I think the only part that Hoffa ever played, if he played any part at all—

Mr. KENNEDY. You know what part he played in it, Mr. Doria.

Mr. DORIA. If you want your testimony, I will keep still until you put it in, and then you can ask me for mine. If you want my testimony, I can only give you what I know.

The CHAIRMAN. Now, we can proceed without that. Ask the questions, and the Chair will require the witness to answer them.

Mr. KENNEDY. You know Mr. Hoffa was interested in the taxicab drive?

Mr. DORIA. I don't know to what extent he was interested.

Mr. KENNEDY. I didn't ask you to what extent. You know he was interested in the taxicab drive.

Mr. DORIA. I can't testify to that; no. I can't testify as to his thinking, or his feelings in the matter, or what conclusion he might have come to. How can I testify to that?

Mr. KENNEDY. Were there any discussions with Mr. Hoffa about the taxicab drive?

Mr. DORIA. Yes; I met him in a restaurant one time and discussed the taxicab issue with him, and he told me that, if I could have been successful in organizing it, he would have liked to have had them in the teamsters. But he said they were not interested in it at the time, and the international union was not interested, and they were doing nothing about it.

Mr. KENNEDY. What do you mean, "they"?

Mr. DORIA. The international union.

Mr. KENNEDY. Was this after the international had made the decision not to take Dio and the taxicab organization into the teamsters?

Mr. DORIA. I don't know when that decision was made, not to take Dio and the taxicab organization into the organization. I did succeed at the time that I met with Mr. Hickey out of New York, as well as Dave Beck, in the teamsters headquarters here in Washington, to turn over to them the organization. They were going to effect a

combination of their committees. I think Mr. Hickey was also conducting a drive, and we were conducting a drive, and they were going to amalgamate the committees, and that was at least my understanding, and I walked out of the picture at that time.

Mr. KENNEDY. So, they took it over?

Mr. DORIA. They took it over, and that is my understanding; that they took it over.

Mr. KENNEDY. They took over the taxicab drive of the UAW-AFL?

Mr. DORIA. Yes, and my understanding was Mr. Hickey was going to run it, and it was purely my understanding on it.

Mr. KENNEDY. They took over your organization, UAW-AFL?

Mr. DORIA. They didn't take over the UAW-AFL.

Mr. KENNEDY. Wasn't that the negotiations being conducted?

Mr. DORIA. What is that?

Mr. KENNEDY. Wasn't that the basis of the negotiations that were being conducted?

Mr. DORIA. The basis of the negotiations being conducted was not on the request of the teamsters. It was my attempt to try and find a place for the taxicab drivers. I wanted to approach the teamsters on it.

Mr. KENNEDY. That is correct. So, when you say the teamsters took the drive over, they did not accept your suggestion of taking the drive over, and, in fact, they opposed it, led by Hickey, and he wouldn't take Dio and the rest of the organization in. You and Hoffa were attempting to get him to take the organization in; is that not correct?

Mr. DORIA. I wasn't attempting to tell the teamsters anything, other than that they could have the entire taxicab organization, lock, stock, and barrel.

Mr. KENNEDY. They didn't want that.

Mr. DORIA. I don't know what they decided in their own councils, Mr. Kennedy.

Mr. KENNEDY. You weren't informed what they decided?

Mr. DORIA. No, because I tried to offer to Dave Beck—

Mr. KENNEDY. Mr. Doria, don't tell me that. You heard what their decision was on it.

Mr. DORIA. Mr. Kennedy, if you know that, you know something I don't know.

Mr. KENNEDY. You never found out what decision they made on taking Dio and the rest of the organization into the Teamsters? Is that what you are saying?

Mr. DORIA. I don't know until today what decision they made.

Mr. KENNEDY. Were they taken in?

Mr. DORIA. They accepted the organization, but they did not accept my budget and they did not accept the organizational drive which I had started and they were going to run it on their own, their way.

Mr. KENNEDY. Did they take them in? Did they take these people in?

Mr. DORIA. To my knowledge, no, no one ever became a member of the teamsters because no contract was ever written.

Mr. KENNEDY. You know they didn't become a member of the teamsters organization, do you not?

Mr. DORIA. Well, I assumed they didn't and I can't tell you, I don't know. They might have had members, and Mr. Hickey said he had members.

Mr. KENNEDY. That is not the question. The question is whether they took your UAW-AFL organization into the teamsters. They did not take them in, did they?

Mr. DORIA. I can't answer that because some of the people were selected to make up the joint committee and that is as far as I participated. Beyond that, I don't know what happened.

Mr. KENNEDY. Did Dio become a member of the teamsters organization?

Mr. DORIA. To my knowledge he never became a member of the teamsters.

Mr. KENNEDY. Do you think it is possible he might have?

Mr. DORIA. I don't believe so. I don't know that he ever became a member. But what they did with Dio on their own, I don't know.

Mr. KENNEDY. But as far as you know, he never became a member of the teamsters?

Mr. DORIA. To my knowledge, he never became a member of the teamsters.

Mr. KENNEDY. And, also, you know that Hickey was opposed to bringing him into the teamsters at that time?

Mr. DORIA. No; I don't know that.

Mr. KENNEDY. You do not know?

Mr. DORIA. I know there was friction between Dio and Hickey, but I don't know that he was opposed to taking him in.

Mr. KENNEDY. Do you know that Hoffa was in favor of bringing Dio into the teamsters?

Mr. DORIA. Of bringing Dio into the teamsters?

Mr. KENNEDY. With the taxicab drivers.

Mr. DORIA. I don't know of that either and I did not participate in any negotiations to take Dio in as a part of the taxi drive. As a matter of fact, Dio's statement to me at the time was, "Doria, if I am going to stay in the movement, I would like to stay with your organization."

Mr. KENNEDY. You never heard of any negotiations conducted to bring Dio and the taxicab organization of the UAW into the teamsters?

Mr. DORIA. I heard of a lot of negotiations supposedly going on, but I never got any facts on them, Mr. Kennedy.

Mr. KENNEDY. We will go right back. Did you ever attempt to have the UAW-AFL taxicab organization brought into the teamsters?

Mr. DORIA. Yes, I did, with both Einar Mohn and Dave Beck.

Mr. KENNEDY. You were trying to get rid of Johnny Dio?

Mr. DORIA. I was not trying to get rid of Johnny Dio.

Mr. KENNEDY. You were going to turn Johnny Dio over to the teamsters?

Mr. DORIA. My understanding was Johnny Dio——

Mr. KENNEDY. Are you going to answer the question?

Mr. DORIA. I was not going to turn Johnny Dio over to the teamsters or anybody.

Mr. KENNEDY. Let us go back again. Were you trying to get the UAW-AFL taxicab organization into the teamsters?

Mr. DORIA. That's right.

Mr. KENNEDY. And was Johnny Dio involved in the UAW-AFL taxicab organization?

Mr. DORIA. Yes, as an organizer.

Mr. KENNEDY. Were you going to turn that organization over to the teamsters?

Mr. DORIA. If I did, Johnny Dio could not have gone with it and he was not a part of the taxicab charter at that time. Johnny Dio was working in 649.

Mr. KENNEDY. There was never any question about him going with the teamsters?

Mr. DORIA. To my knowledge, there was not and I can't recall a single instance where I participated in anything to move Johnny Dio out of our organization into the teamsters.

Mr. KENNEDY. Who was the general manager of the local 102 of the taxicabs?

Mr. DORIA. That changed. There we have to get down to the period of time.

Mr. KENNEDY. Who was general manager of local 102 of the taxicab drive when these negotiations were being conducted?

Mr. DORIA. I frankly don't know as we had anyone designated as a "manager."

Mr. KENNEDY. You did have someone.

Mr. DORIA. I will say that Dio was very active in the organization of the taxicab drive.

Mr. KENNEDY. You just said he was not interested.

Mr. DORIA. Mr. Kennedy, please, I think we are going to have to go back and read the record. I told you that Dio was not a member of the local at the time that the negotiations took place with respect to the taxicabs being turned over to the teamsters.

Mr. KENNEDY. He was general manager of the local.

Mr. DORIA. Well, I never knew there was such a designation as "general manager."

Mr. KENNEDY. He was also director of the taxicab drive.

Mr. DORIA. Yes; I told you that. He was extremely active.

Mr. KENNEDY. If you were going to bring that organization into the teamsters, he would be an important element in it, would he not?

Mr. DORIA. Mr. Kennedy, if a regional director in a particular area turns over a local union to the teamsters or anybody else, the director does not go with it; only the local goes with it. So, Johnny Dio would not automatically transfer to the teamsters because the taxicab union was transferred to the teamsters.

Mr. KENNEDY. He was regional director?

Mr. DORIA. No; he was a director of the drive.

Mr. KENNEDY. You bring up the fact he is regional director.

Mr. DORIA. I am trying to point out to you that a director does not necessarily move when a local union moves.

Mr. KENNEDY. Was he regional director?

Mr. DORIA. No; he was not.

Mr. KENNEDY. Why are you pointing that out; just to throw out some information?

Mr. DORIA. It might bring about an analogy that might help to clear the matter up.

Mr. KENNEDY. Was he associated with the taxicab drive?

Mr. DORIA. He certainly was associated with the taxicab drive.

Mr. KENNEDY. Was he general manager of local 102?

Mr. DORIA. We never had any such designation as "general manager." If there was one understood among them, I don't know about it.

Mr. KENNEDY. You don't know anything about his leading the organization?

Mr. DORIA. I certainly do know about his leading the organization.

Mr. KENNEDY. And was he?

Mr. DORIA. And we looked to him for leadership in the taxicab drive and I am just talking about your terms.

Mr. KENNEDY. Then the taxicab drive was going to be turned over to the teamsters?

Mr. DORIA. That's right.

Mr. KENNEDY. And you say that he was not going, or his organization was not going to be turned over?

Mr. DORIA. No. As a matter of fact, he, himself, as I told you before, expressed openly the preference to stay with our union.

Mr. KENNEDY. What were you going to turn over to the teamsters?

Mr. DORIA. The entire membership of the taxicab drive, made up at that time exclusively of taxicab drivers.

Mr. KENNEDY. Without him?

Mr. DORIA. He was going to stay with the industrial local 649, which he did.

Mr. KENNEDY. That is your sworn testimony; that you never heard of any discussion about him going into the teamsters?

Mr. DORIA. In all of the period of time we discussed, I even discussed going into the teamsters myself.

Mr. KENNEDY. Is it your sworn testimony that there was never any discussion, with Hoffa or anyone else, about him coming into the teamsters?

Mr. DORIA. I don't recall any myself, right now, Mr. Kennedy.

Mr. KENNEDY. Do you deny that any such conversations took place, Mr. Doria?

Mr. DORIA. Was I present when this conversation took place, you say?

Mr. KENNEDY. Were you present?

Mr. DORIA. I don't recall. Johnny Dio's position always, to me, was that he wanted to remain with our union as long as he was going to be in the labor movement. As a matter of fact, he used to say to me, "If you're in it, Doria, I would rather be where you are."

Mr. KENNEDY. He said that, and he wanted to be with you?

Mr. DORIA. That's right.

Mr. KENNEDY. When you had the conversation with Hoffa in the restaurant, in New York, who else was present?

Mr. DORIA. I don't recall. There was quite a group present, and that conversation was held on the steps where we were waiting for a table.

Mr. KENNEDY. Was Dio present at that time?

Mr. DORIA. I do not recall. Quite possibly he might have been.

Mr. KENNEDY. The only time that you can remember that Dio was present was the meeting in Florida, is that right, with Hoffa and Beck?

Mr. DORIA. From the standpoint of being able to testify to an actual meeting that I know about, I do know that he attended the meeting in Florida; yes.

Mr. KENNEDY. And also the Hampshire House?

Mr. DORIA. I believe both Dio and Hoffa were present in the meeting we had with Hickey in New York. I think they were also present at the meeting that I had with Dave Beck and Einar Mohn in Washington.

Mr. KENNEDY. Dio and Hoffa?

Mr. DORIA. I believe they were, and I don't know as they were in the meeting.

Mr. KENNEDY. What about the Hampshire House, as a third place, the Hampshire House in New York?

Mr. DORIA. Well, I stayed at the Hampshire House very often.

Mr. KENNEDY. I am not interested in that. I am talking about the meeting that you held in the Hampshire House.

Mr. DORIA. Yes; I think that is where we met with Hickey.

Mr. KENNEDY. And Hoffa?

Mr. DORIA. And I believe I was instrumental in arranging the reservations.

Mr. KENNEDY. I am not asking about that. You met with Hoffa?

Mr. DORIA. Hoffa was there.

Mr. KENNEDY. And Dio?

Mr. DORIA. And I believe Dio was there, and I believe Hickey was there.

Mr. KENNEDY. Is it your testimony before this committee that there was no discussion at that time about bringing Dio into the teamsters union?

Mr. DORIA. Not that I can recall at all, because my only purpose in that meeting—

Mr. KENNEDY. I am not interested in that.

Mr. DORIA. Well, as far as I can recall, no.

Mr. KENNEDY. And you also testified that Hoffa did not urge at that meeting that Dio be given a charter with the teamsters.

Mr. DORIA. For Dio to be given the charter as such?

Mr. KENNEDY. That the organization that came in from the UAW-AFL with Johnny Dio, that they be given a teamsters charter.

Mr. DORIA. That the organization be given a teamsters charter?

Mr. KENNEDY. And Johnny Dio, heading it up, was to be given a teamsters charter.

Mr. DORIA. I do not recall one single instance of Dio's transfer with taxicabs being in issue in my presence.

Mr. KENNEDY. Do you remember that Dio said at that meeting that he was going to continue to have an interest, that he had spent some \$200,000 on the taxicab drive?

Mr. DORIA. No; I do not recall anything of that kind.

Mr. KENNEDY. And that he thought that it would be necessary to spend another \$200,000 to have it successful?

Mr. DORIA. He said that?

Mr. KENNEDY. I am asking you.

Mr. DORIA. I don't know anything about that, because that was not the budget that I proposed to Dave Beck and Einar Mohn.

Mr. KENNEDY. There was no discussion like that?

Mr. DORIA. Not that I know of at all, and I don't recall anything like that, and I proposed a budget.

Mr. KENNEDY. And, in your proposal of a budget, it was always understood that Dio was to become disassociated from the taxicab drivers?

Mr. DORIA. My understanding—

Mr. KENNEDY. And stay with his friend, Anthony Doria?

Mr. DORIA. Yes, and my understanding was that Dio would have remained with our organization.

Mr. KENNEDY. And not have anything more to do with the taxicabs?

Mr. DORIA. I don't know anything about that, what arrangements they might have had among themselves. All I know is what I was aware of.

Mr. KENNEDY. Your understanding was, and let me get this, that Dio was not going to have anything further to do with the taxicab drive?

Mr. DORIA. I had no understandings, either pro or con, on that.

Mr. KENNEDY. You just testified that you said that your understanding was that Dio was going to stay with the UAW-AFL?

Mr. DORIA. Yes.

Mr. KENNEDY. So, therefore, if the teamsters took up this drive, then he would have nothing more to do with that.

Mr. DORIA. It doesn't automatically follow that, if he would have stayed with the UAW-AFL, he might have had nothing to do with the drive, and it does not preclude any other arrangement whereby he could have worked with the teamsters. I am merely stating, if there was one, I don't know about it. And I cannot recall any.

Mr. KENNEDY. You say there weren't any conversations on that line, that he was to come in?

Mr. DORIA. I didn't say there were no conversations. I said I am not aware of any, and I don't recall any.

Mr. KENNEDY. Your testimony is that you never heard of any conversations?

Mr. DORIA. It is not my testimony that I never heard.

Mr. KENNEDY. That you never heard of any conversations that Dio was to come into the teamsters.

Mr. DORIA. That is not my testimony. My testimony is that I do not recall any such conversations.

Mr. KENNEDY. You don't recall any such conversations?

Mr. DORIA. That is right.

Mr. KENNEDY. You cannot recall any conversations in which Dio was to come in with the taxicab organization into the teamsters?

Mr. DORIA. I recall no single instance where Dio was supposed to move with the taxicab organization into the teamsters.

Mr. KENNEDY. Mr. Doria, were you familiar with the period of time, or were you familiar with the events, that preceded the members of the UAW or officials of the UAW in New York requesting teamster charters in 1955 or 1956?

Mr. DORIA. No; I, very frankly, was no longer very active in New York, and I think that I was absent from New York for a period of about 2 years during that period of time. Once Johnny Dio left the organization and our international union gave up the taxicab drive, I saw there was no object in trying to build an organization if it had

to be given away, which I was opposed to, naturally, and I just lost my interest in New York.

Mr. KENNEDY. You were opposed to what?

Mr. DORIA. What is that?

Mr. KENNEDY. You were opposed to what?

Mr. DORIA. To giving up the taxicab drive. And, therefore, once that was done by the board, under the threat of being suspended as an international unless it was done, I gave up the hope of ever building anything major in New York.

Mr. KENNEDY. Would you answer the question now? Did you know anything about the members of your organization in New York requesting teamster charters.

Mr. DORIA. I heard conversations about that.

Mr. KENNEDY. Did you discuss it with Johnny Dio?

Mr. DORIA. I was not interested.

Mr. KENNEDY. Did you discuss it with John Dio?

Mr. DORIA. I don't recall any discussions that I had with him, Mr. Kennedy, and I do know that some of the organizations ultimately went to the teamsters. I also know that it was a position of our president not to fight with the teamsters, if such a request had been made. I do know that, ultimately, some did transfer, and I cleared out the records on those that transferred from my own records and the secretary-treasurer's office.

Mr. KENNEDY. Did you discuss it with John Dio?

Mr. DORIA. I don't recall that, because I was away from New York for quite some time.

Mr. KENNEDY. Did you discuss it with John Dio?

Mr. DORIA. I do not recall that.

Mr. KENNEDY. Did you discuss it with Jimmy Hoffa?

Mr. DORIA. I don't think that there was any discussions with Jimmy Hoffa at any time.

Mr. KENNEDY. Did you discuss it with Jimmy Hoffa?

Mr. DORIA. I don't recall any discussions with Jimmy Hoffa on the transfer of any New York membership.

Mr. KENNEDY. Do you deny you discussed it with Johnny Dio?

Mr. DORIA. No, and I will not affirm it, either.

Mr. KENNEDY. Do you deny you discussed it with Jimmy Hoffa?

Mr. DORIA. I would not affirm it, either.

Mr. KENNEDY. You can't remember anything about that?

Mr. DORIA. No; I don't recall anything like that. It is not significant to me at all, and there was, apparently, no important issue involved, as far as I was concerned.

Mr. KENNEDY. Do you know that at the election in Cleveland where these people voted for you from the New York locals, that the day after they received their charters from the teamsters?

Mr. DORIA. No; I don't know when they received their charters from the teamsters, or how the transfers actually took place, other than that there was a statement by Heaton that he did not want to fight the teamsters. I think that he had authorized Joe Curcio to enter into negotiations with them for whatever arrangement had to be made, because at that time, I think, it was brought out that the primary interest was in something that related to warehousing. That is the way I heard it.

Mr. KENNEDY. Who did you hear that from?

Mr. DORIA. I think I heard that from Heaton.

Mr. KENNEDY. What did he say to you?

Mr. DORIA. He said that he had told me about the fact that there had been a claim made with respect to some of the New York membership by the teamsters; that he had been so advised; and that he had authorized Joe Curcio, I believe it was—and this is strictly something that I am trying to pick up and remember—and that the negotiations would proceed with the teamsters rather than fight with the teamsters. That is just the best of my recollection on it, and not an attempt to testify to facts that I can nail down for you.

Mr. KENNEDY. You resigned from the union when, Mr. Doria?

Mr. DORIA. I think it was March 1957.

Mr. KENNEDY. And at that time you signed an agreement with Earl Heaton for the receipt of certain moneys?

Mr. DORIA. Well, the resignation was in two parts, Mr. Kennedy. I resigned as an officer and as a member of the board, and I later resigned as an officer, member of the board, and a member of the union.

Mr. KENNEDY. I want to go back just a moment, and I will come to that. Could you tell the committee what this check was for?

The CHAIRMAN. The Chair hands you a check which appears to be the original, No. 1099, in the amount of \$2,000, dated May 2, 1952, signed by Peter Lentine, as treasurer of UAW-AFL, Amalgamated Local 286. Will you examine the check and tell us what you know about it?

(A document was handed to the witness.)

Mr. DORIA. I never have seen this check before.

The CHAIRMAN. Do you know anything about it?

Mr. DORIA. No; I know nothing about it. Is this the check, Mr. Kennedy, that you referred to when we were in the hall, to Mr. Wadsworth?

The CHAIRMAN. Who was it payable to?

Mr. DORIA. Mr. Wadsworth. Is this the check you referred to?

Mr. KENNEDY. You tell us what you know about it.

Mr. DORIA. I know nothing about it.

The CHAIRMAN. That check may be made exhibit No. 91.

(The document referred to was marked "Exhibit No. 91" for reference, and will be found in the appendix on p. 4482.)

Mr. DORIA. I was not treasurer of the local union at that time.

The CHAIRMAN. I hand you a disbursement record with respect to the check, or attached to the check, and I detached it until the check was presented to you. I will ask you to examine this disbursement record and see if you identify that.

(A document was handed to the witness.)

Mr. DORIA. No; I cannot identify this. There is one thing I do want to point out, however—

The CHAIRMAN. That will be made exhibit No. 91-A.

(The document referred to was marked "Exhibit No. 91-A" for reference, and will be found in the appendix on p. 4483.)

Mr. DORIA. The name appears here of Anthony Doria on the standard printed disbursement record that was continually use by the local union, even when I was not secretary-treasurer, simply because they were using the forms. But, during this period of time, Peter Lentine

signed as treasurer, and I was not handling the affairs of this local union.

The CHAIRMAN. Were you secretary-treasurer of it at that time?

Mr. DORIA. No; I don't think that I was, because, if I had been secretary-treasurer, I would have issued the check. But they merely used the disbursement voucher, which they probably had printed and on hand, in order to record this for their bookkeeping system, but I was not an officer, I don't believe, at the time that Lentine signed the check as secretary-treasurer.

The CHAIRMAN. Had you been secretary-treasurer of it prior to that time?

Mr. DORIA. Yes, because otherwise the voucher would not have been printed in this manner, so I must have been secretary-treasurer prior to that.

The CHAIRMAN. You must have been?

Mr. DORIA. I was, prior to 1952, something prior to that, and I believe I was, and I was on and off, of that local union, on many occasions, about four different occasions. I don't have the dates, but I do know that had I been secretary-treasurer.

Mr. KENNEDY. You were so often by election or appointment?

Mr. DORIA. By designation of the board, the joint board. That is the way I was always notified.

Mr. KENNEDY. By appointment of the board?

Mr. DORIA. Well, the board elects in an amalgamated local union and the officers are elected from among the members of the joint board in an amalgamated local union. But this voucher does not indicate to me that I was treasurer at the time.

I could check the records and there will be one very simple way of finding out, if they have the records of the payroll of the local union, to determine whether or not I was being paid during that period of time. That might indicate it.

Mr. KENNEDY. Do you have any idea, and could I have the check, please? You income-tax return shows that you were secretary-treasurer during this time.

Mr. DORIA. During the period, but not maybe during the month that check was written.

Mr. KENNEDY. You received pay during this period of time for 1952. You received a salary.

Mr. DORIA. Maybe a portion of it. What was the salary? Was it \$7,800?

Mr. KENNEDY. \$7,800.

Mr. DORIA. Well, then, I was not acting, or I was not signing the checks. Or what account is that check from? After all, they had accounts in Chicago, too, besides the main operating funds.

Mr. KENNEDY. You were still in charge of the fund; were you not?

Mr. DORIA. No; because those funds were divided between the Chicago operating fund, and the main, so-called, operating fund of the local union.

Mr. KENNEDY. Where were they?

Mr. DORIA. They might have been in Chicago, and I think he had two accounts in Chicago at that time.

Mr. KENNEDY. They were all in Chicago, then?

Mr. DORIA. What is that?

Mr. KENNEDY. They were all in Chicago?

Mr. DORIA. No; there was one account during 1952, in Milwaukee. I am not certain about that.

Mr. KENNEDY. You were secretary-treasurer and you were in charge of the money; were you not?

Mr. DORIA. Well, Peter Lentine could not have signed a check for me had I been secretary-treasurer.

Mr. KENNEDY. You were secretary-treasurer or you received your salary as secretary-treasurer during this period of time.

Mr. DORIA. No, not necessarily, because I was doing board work for the local union when I was not secretary-treasurer of the local union, too.

Mr. KENNEDY. Your income-tax return shows you received \$7,800 that year.

Mr. DORIA. That was not necessarily because I was secretary-treasurer.

Mr. KENNEDY. Now, Mr. Inciso tells us that he spoke to you about this check of \$2,000.

Mr. DORIA. I don't recall any conversation.

Mr. KENNEDY. Do you know Mr. Wadsworth?

Mr. DORIA. I don't think that I have ever met Mr. Wadsworth, no, and I understand he used to be the director of AFL in Chicago. I don't think that I ever met Mr. Wadsworth, and I don't recall meeting him at any time.

Mr. KENNEDY. Mr. Wadsworth has never been in to see you?

Mr. DORIA. Not that I know of and I don't recall him. Of course, it is hard for me to testify to the fact I have never met any labor people. I have met so many of them during my lifetime.

Mr. KENNEDY. Would you say Inciso never discussed this \$2,000 payment?

Mr. DORIA. I don't recall it and it is not a significant matter as far as I am concerned, because I don't recall anything on that check, if it was signed. Is that check countersigned, too?

Mr. KENNEDY. Yes.

Mr. DORIA. By whom?

Mr. KENNEDY. By Inciso.

Mr. DORIA. Then Inciso and Lentine would know about that check, rather than I would know about it.

Mr. KENNEDY. You do not know anything about it?

Mr. DORIA. I just can't recall a thing on it. I don't remember anything on that at all, and I don't know if it was ever brought to my attention. As a matter of fact, you spoke to me about it in the hall the other day. That was the first time I was aware that a thing like that had been used.

Mr. KENNEDY. You have trouble with your memory occasionally?

Mr. DORIA. No, I don't have trouble, but I don't like to testify to things I am sure about.

Mr. KENNEDY. Could we ask you about this?

The CHAIRMAN. I hand you what appears to be a photostatic copy of a deposit slip of the First Wisconsin National Bank of Milwaukee, dated January 15, 1954, showing a total deposit of \$5,556, made up of 3 items, 1 item of \$5,106 and 1 for \$200, and 1 for \$250. Does that appear to be cash?

Mr. KENNEDY. No; it is checks.

The CHAIRMAN. These items appear to have been checks deposited at that time by you.

Will you examine that deposit slip and see if you identify it?

(A document was handed to the witness.)

Mr. DORIA. It is my deposit slip and it is in my writing, and it is in a bank where I held an account, but unless I had what the checks are about, I couldn't go beyond that.

The CHAIRMAN. That deposit slip may be made exhibit No. 92.

(The document referred to was marked "Exhibit No. 92" for reference and will be found in the appendix on p. 4484.)

Mr. KENNEDY. You haven't any idea what that money came from?

Mr. DORIA. No; I don't know what it was about, and it may have come from my own cash funds, and it may have been an accumulation of salary checks, or it may have been anything. I just have no idea from just that, what it would be.

Mr. KENNEDY. Had you borrowed any money from anyone?

Mr. DORIA. I don't recall whether I did or not.

Mr. KENNEDY. Had you borrowed any from the local?

Mr. DORIA. No; I never borrowed money from the local union.

Mr. KENNEDY. Could that money have come from the local union, 286?

Mr. DORIA. No, I definitely do not believe that this money could have come from the local union at all.

Mr. KENNEDY. You are sure it could not?

Mr. DORIA. There would be no reason for putting it in my account if it came from the local union.

Senator IVES. May I interrupt there, Mr. Chairman?

Did you ever put any money from the local union in your account?

Mr. DORIA. No, not that I can recall.

Senator IVES. Well, did you or did you not? You would know, you certainly should be able to recall that.

Mr. DORIA. As long as we have cleared the question, you mean to take money that belonged or was the property of the local union and put it into my account?

Senator IVES. Exactly, that is what I mean.

Mr. DORIA. No. I can answer positively on that.

Senator IVES. All right.

Mr. KENNEDY. You have no explanation where this money came from?

Mr. DORIA. Not unless I could check back and find out what the deposit was made up of. I might be able to give you something then. But it looks like the \$200 and the \$250 were not even checks, and it must have been—no, I think that was probably all cash. But they are all marked checks. I don't know.

It goes back too far for me to remember what I deposited and it could have been money from my account or anything.

Mr. KENNEDY. But it was not from the local union, 286?

Mr. DORIA. No local union money or no international money that was taken over, and if the implication is that this is the property of the international or the local union, that I took over to keep, the answer is "No."

Mr. KENNEDY. Is it any payment from any local or is it a payment from any local union to you?

Mr. DORIA. Not unless it was an accumulation of salary checks accumulated and deposited; that is the only thing it could be. But it is not money that belongs to a local union put into my account.

Mr. KENNEDY. What do you mean by an accumulation of salary checks?

Mr. DORIA. There were a lot of times when I never had an opportunity to cash checks, and I used to accumulate them from local 286 or the international union, too.

Mr. KENNEDY. Do you think that that is it?

Mr. DORIA. I never cash my checks immediately. As a matter of fact there were many times, when they had to remind me to cash my checks.

Mr. KENNEDY. Can you give us any other explanation other than the fact that it could have been an accumulation of checks?

Mr. DORIA. Yes, it could have been money taken out of my own cash funds for deposit. I think that is around the period—is that January or June of 1954?

Mr. KENNEDY. It is January.

Mr. DORIA. January of 1954, I don't know. We moved to Beverly Hills, unless it could have been other things, and maybe it was when I bought an automobile and wrote checks, and put in enough to cover the checks which I had set up, because I never kept too heavy a balance in my bank account. It could have been a lot of things.

But if I knew exactly what made up the items I probably could tell you exactly. But I can't from this.

Mr. KENNEDY. Maybe we can help you.

Mr. DORIA. O. K.

The CHAIRMAN. All right, Mr. Bellino, take the stand.

TESTIMONY OF CARMINE S. BELLINO—Resumed

Mr. KENNEDY. Now, Mr. Bellino, you are familiar with this deposit in Mr. Doria's account of \$5,000?

Mr. BELLINO. Yes, sir. \$5,106 even.

Mr. KENNEDY. Have you reviewed the records of certain of the UAW unions?

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. Did you attempt to determine where this money came from?

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. Could you tell the committee?

Mr. BELLINO. This is an item which came from local 286, UAW and it is charged on the bank account of that local at the City Bank & Trust Co., Milwaukee, on January 18, 1954, an identical item of \$5,106.

Mr. KENNEDY. Mr. Bellino, Mr. Doria said that the only explanation he could give if it came from the local union, would be an accumulation of checks. Is it possible that that could have happened?

Mr. BELLINO. I don't know what he could be referring to. That could not be possible.

Mr. KENNEDY. That is not possible?

Mr. BELLINO. No.

Mr. KENNEDY. There is no explanation as to why he suddenly received this sum of \$5,000 from the local union?

Mr. BELLINO. No, sir.

The CHAIRMAN. Was that one check on a union account?

Mr. BELLINO. One check on the union account.

The CHAIRMAN. Of that amount?

Mr. BELLINO. For \$5,106.

The CHAIRMAN. Who was it made payable to?

Mr. BELLINO. We have just the bank statement which shows the charge on the 18th and this was deposited on the 15th.

The CHAIRMAN. In other words, you have the circumstances of \$5,106, both entries being identical?

Mr. BELLINO. Both identical.

The CHAIRMAN. \$5,106 drawn out of the union on the 18th?

Mr. BELLINO. That is right.

The CHAIRMAN. And deposited when?

Mr. BELLINO. On the 14th, at the Wisconsin National Bank in Milwaukee.

The CHAIRMAN. The check cleared the bank on the 18th?

Mr. BELLINO. Yes, sir.

The CHAIRMAN. I am trying to get the dates related. When does it show that it was charged at the bank to the union, and what date is that?

Mr. BELLINO. On the 18th, which is the next business day after the 15th, on this bank statement.

The CHAIRMAN. The next business day?

Mr. BELLINO. After the 15th; yes.

The CHAIRMAN. So, apparently, the records indicate that it came from local 286.

Mr. BELLINO. Yes.

The CHAIRMAN. Now, Mr. Doria, do you want to make any explanation?

TESTIMONY OF ANTHONY DORIA—Resumed

Mr. DORIA. I would like to ask whether or not Mr. Bellino has the social-security report on wages for the local union for the same period of time, because, if that is true, that the check was written to me on that basis, the only other account that I can give for it was an accumulation of unpaid wages; \$5,106 is an uneven number, and it indicates that maybe deductions were made from it. If I had not collected my wages from that local union, it might have been paid in one lump sum, and the total deduction made. If I could check the social-security report on payrolls, I think we can answer this question. I don't recall it.

Mr. KENNEDY. What is your answer? Is it that you don't know anything about it?

Mr. DORIA. I still can't recall it, on the basis of the information given, but I would be very much interested in checking the social-security reports.

Mr. KENNEDY. I am sure that would be interesting, too, but you don't have any explanation for the amount.

Mr. DORIA. I can't recall it at all, and I have no explanation for it of any kind. I think it could be an accumulation of wages paid me, because it does indicate that it is an uneven number, and it may have

the deduction of my social security and my withholding tax, and other deductions that are made.

The CHAIRMAN. It couldn't have been expenses?

Mr. DORIA. I never received expenses, except on very special assignments from 286, and I don't think I have had \$3,000 in expenses from the local union since I have been with it.

The CHAIRMAN. All right; proceed.

Mr. DORIA. If you will check the social-security reports, I am sure that that question can be answered.

Mr. KENNEDY. Just going back on one matter that we had this morning, we have made a check of the Milwaukee papers during the period of time which you had this building up for sale, and we cannot find in any of the papers that it was ever advertised for sale.

Mr. DORIA. Well, if you will get hold of Mr. Kallas—

Mr. KENNEDY. While the union owned the building, it was never advertised.

Mr. DORIA. If you will get hold of Mr. Kallas, he will, I think, be glad to submit to you even the bills that he paid on the advertising. I came through Milwaukee on my way to this hearing, and he again reminded me of the fact that he had advertised this building for almost 1 year in the classified section of the Milwaukee Journal, and I am sure, if you will check the records of Mr. Kallas, you will find that he did advertise the building. But the advertisements may have been under the Badger Realty Corp., in complete columns, and the building might have been among them.

Mr. KENNEDY. Then, Mr. Doria, there must have been some mixup, because the Milwaukee paper never put the ad in, even though he paid for it, supposedly.

Mr. DORIA. I am certain that the ad appeared, because I don't think that Kallas would have deliberately told me that the ads appeared if they had not appeared.

Mr. KENNEDY. Did you ever see the ad?

Mr. DORIA. No; I never saw an ad myself. I never checked it.

Mr. KENNEDY. You were in Milwaukee and you never saw the ad?

Mr. DORIA. Well, I was not in Milwaukee during the time that the ads appeared.

Mr. KENNEDY. For a year?

Mr. DORIA. That's right.

Mr. KENNEDY. 1953 to 1954.

Mr. DORIA. I never checked the ads to see whether the building was advertised.

Mr. KENNEDY. Going back to the time that you left the union, in early 1957, there was an arrangement between you and Mr. Heaton to pay you \$80,000.

Mr. DORIA. No; there was no arrangement between me and Mr. Heaton to pay me \$80,000. I had sued the union for \$1 million for libel and slander.

Mr. KENNEDY. Had you filed suit?

Mr. DORIA. The suit had not been filed.

Mr. KENNEDY. Don't say you had sued the union, then, Mr. Doria. Let us keep the facts.

Mr. DORIA. What is that?

Mr. KENNEDY. You hadn't sued the union, then.

Mr. DORIA. I had been to my attorney, and, whatever you call it in legal terminology, had been drafted, and I advised them of the fact, and Heaton told me at the time that he didn't want that to break through because he thought it was going to be adverse as far as the AFL-CIO was concerned.

Mr. KENNEDY. Who were you going to sue, the AFL-CIO?

Mr. DORIA. I was going to sue the AFL and CIO and the Allied Industrial Workers.

Mr. KENNEDY. Mr. Heaton thought he had better protect the AFL-CIO by paying you \$80,000?

Mr. DORIA. That was part of the settlement, because they were looking for a favor from the AFL-CIO, not to be expelled, and they wanted to include the AFL-CIO.

Mr. KENNEDY. Did they consult with the AFL and CIO and tell them they were going to do you this big favor?

Mr. DORIA. I don't know what they did, and I was only handling my side of the transaction.

Mr. KENNEDY. That was the threat, was it, that you were going to sue the AFL-CIO and so Heaton gave you \$80,000 from the UAW?

Mr. DORIA. No; that is not it. I was going to sue them both. It is so drawn up. I met with Heaton, and I met with Gabe Jewel, and I met with their attorneys, two of their attorneys, when that settlement agreement was reached.

Mr. KENNEDY. What sort of libelous things had they said about you?

Mr. DORIA. Well, I think you have a copy, among other things, of a letter that was written by Heaton, himself, in order to rush my resignation.

Mr. KENNEDY. What sort of libelous things had they said?

Mr. DORIA. Well, read the letter, and I don't have it with me.

The CHAIRMAN. Let us ask you one question. Is that all you rely on—the letter?

Mr. DORIA. I relied on that letter, and I relied upon, also, a release that appeared in the AFL Reporter, I believe it was. Anyhow, it is the AFL-CIO Reporter.

The CHAIRMAN. Anything else, now, besides that release and the letter?

Mr. DORIA. And the statements that were made during the board meeting in Florida.

The CHAIRMAN. Oral statements and not published?

Mr. DORIA. No; made to an entire board; more than two people.

Mr. KENNEDY. What sort of thing had they said?

Mr. DORIA. Well, I will tell you, very frankly, I think I even knew the motivation.

Mr. KENNEDY. I don't want to know the motivation. What did they say?

Mr. DORIA. They said for example, a fellow like Frank Evans, one of the board members, would say, "After all, this thing is directed at you, and although we can't prove it, we have nothing against you, but still we have got to go along with them on assuming that you might have been."

Mr. KENNEDY. What did they say that was libelous?

Mr. DORIA. Everything stated in that letter, the reference to the handling of funds in local 286.

Mr. KENNEDY. What did they say about you?

Mr. DORIA. No. 3, Heaton said—

Mr. KENNEDY. What did they say libelous about you?

Mr. DORIA. Heaton sat right back in his chair at that meeting, and stated this to me: He said, "Doria, it looks like they are making a heavy charge of racketeering, and I can't prove it and nobody can prove it, but let us face it, we are beginning to think so. I am sorry, that is our opinion."

The CHAIRMAN. They told you that they thought you were doing what?

Mr. DORIA. They said, "They are bringing a strong charge of racketeering and association with racketeering, and we know we have got nothing to prove it, and we know that, but I guess we might as well take the position that probably they are right," or words to that effect.

The CHAIRMAN. So you thought that was libelous?

Mr. DORIA. I think it is extremely libelous.

Senator CURTIS. Who was "they"?

Mr. DORIA. That was before the whole board.

The CHAIRMAN. May I present to you a photostatic copy of what I assume is the letter that you are discussing, dated February 11, 1957. Will you examine it and state if that is a photostatic copy of the letter to which you have referred?

(A document was handed to the witness.)

Mr. DORIA. Yes. It says:

It is quite apparent that the statements that have been made by certain of our members against you must have some foundation, and that we must accept them as having sufficient truth in them to have occasioned the directive of February 5, which was a complete review of so-called corrupt practices in the movement.

The CHAIRMAN. That letter may be made exhibit No. 93.

(The document referred to was marked "Exhibit No. 93" for reference and will be found in the appendix on p. 4485.)

Mr. KENNEDY. You thought that statement was worth \$1 million?

Mr. DORIA. I am sorry that I limited it to \$1 million, now.

Mr. KENNEDY. Because it is so libelous?

Mr. DORIA. On the basis of the convention, you can rest assured that when I get back, there will be another suit for \$2½ million for what was stated in the convention.

Mr. KENNEDY. So Earl Heaton wrote this letter to you and he agreed with you it was so libelous, he agreed to pay \$80,000 of union members' dues.

Mr. DORIA. I think he had a motive, and I don't believe that.

Mr. KENNEDY. He paid you \$80,000 of union members' dues, is that right?

Mr. DORIA. He and Jule, and on the advice of their attorney, 2 of their attorneys, I negotiated with the 4 of them.

Mr. KENNEDY. You also had a pension fund, did you not?

Mr. DORIA. That's right.

Mr. KENNEDY. Now, that was a pension fund that was paid for only by the union?

Mr. DORIA. Right.

Mr. KENNEDY. And that pension fund is worth about \$65,000?

Mr. DORIA. I wish that it were. I would sell it to you now for \$60,000.

Mr. KENNEDY. Well, then, it is worth \$52,000 now, and what it is worth in 10 years is about \$65,000?

Mr. DORIA. Mr. Kennedy, there is no value to that fund for this reason: This fund is predicated upon the union completing amortized payments for a period of 20 years. If at any time prior to the completion of the payments, the amortized payments of 20 years, the fund is not fully paid, or before I reach the age of 55, whatever is in that fund may be divided among those that are eligible to it.

There is no way of determining what this fund is worth, except that I have the option on a 1-year annuity basis, to every year buy an annuity that will pay me this on a payoff schedule of 10 years.

That is the only value that can be attributed to this fund. That is, until such time as I obtain the age of 55, and it all has been paid.

Mr. KENNEDY. We have had it evaluated and the present value of what they are paying for you is some \$52,000.

Mr. DORIA. Yes, but it won't necessarily stand.

Mr. KENNEDY. Now, the union is continuing to pay these monthly premiums for you.

Mr. DORIA. Not in the future and they are only paying the back credit that was amortized at the time the fund was purchased.

Mr. KENNEDY. I do not understand that. Are they making any payments now?

Mr. DORIA. I think that they are making payments.

Mr. KENNEDY. For you, so that you will get the pension?

Mr. DORIA. Well, this making payments is not payments made in future insurance on a pension annuity.

Mr. KENNEDY. But they make payments every month for you?

Mr. DORIA. Yes, because they took a note, so to speak, at the time the annuity was purchased, which they were obligated to, and since it could not have been paid at one time by the union on the back credits which went back to 1936, the union started paying that on an amortized basis of 20 years from the year it was purchased in, 20 years from then, the full payment on back-service credits will be made.

Until that time, it won't be fully paid.

Mr. KENNEDY. Would you go through that again slowly?

Mr. DORIA. Let us assume that——

Mr. KENNEDY. Wait. Just let me ask you a question. Do they pay every month for you now?

Mr. DORIA. I think they pay once a year and I am not sure how they pay it. But let us assume that in 1950 I bought a pension plan——

Mr. KENNEDY. Are they going to continue to pay this for you?

Mr. DORIA. I think as long as they have the money they will.

Mr. KENNEDY. So you have got the \$80,000 payment, and you have received an annuity pension which only they pay into, worth some \$50,000.

Mr. DORIA. They can't take that away from me under law. That is under the Treasury regulations, and if they attempted to take it back, they would lose their whole plan.

Mr. KENNEDY. Did you every pay into it?

Mr. DORIA. No. It was a pension annuity purchased by the union for everybody else.

Mr. KENNEDY. I am not saying you do not deserve every penny of it, but you left the union with approximately——

Mr. DORIA. Do you say I deserve every cent of it?

Mr. KENNEDY. With approximately \$130,000.

Mr. DORIA. I will sell it cheaper than that. If you want to pay me cash right now, you can have it.

If you think it is worth that, give me \$130,000 in cash now and you can have the notes and the annuity.

Senator CURTIS. What do you say it is worth?

Mr. DORIA. I can't guess. It all depends on how long the union lives and they can pay for it.

Senator CURTIS. How about how long you live?

Mr. DORIA. Very frankly, and let us not start wishing, if I should die today, I have got it.

Senator CURTIS. You have got what?

Mr. DORIA. The pension paid to my family, because that is total disability, quite obviously.

Senator CURTIS. You will admit it is worth a substantial amount.

The CHAIRMAN. Let us have order.

Senator CURTIS. You will admit it is worth a substantial amount?

Mr. DORIA. Only approximately \$100 a week for 1 year and it can be terminated at the end of any year if the payments do not continue. That is all it is worth.

Senator CURTIS. Then what happens?

Mr. DORIA. That is it. If the payments continue, it is good. They will purchase another annuity for another year and then it is good for another year at approximately \$100 per week.

Senator CURTIS. Who gets the money that has been paid in?

Mr. DORIA. The insurance company and then they pay it out on the basis of benefits that properly accrue under the plan.

Senator CURTIS. You really do not have much faith in it.

Mr. DORIA. I am concerned with it; let us say I am very much concerned about it. I wish it would stand.

Senator CURTIS. And you think it will?

Mr. DORIA. No, I don't guarantee it. I will sell it at a discount right now, if somebody wants to pay me in cash.

Senator CURTIS. How much?

Mr. DORIA. I will sell it for \$40,000 right now.

Senator CURTIS. Well, that is what I was trying to get at, what you thought it was worth.

Mr. KENNEDY. We had some discussion here, Mr. Chairman, and I had not expected to get into this in such detail, but we had some testimony here by Mr. Doria that he knew nothing about Mr. Dio's position and Mr. Hoffa's position on the taxicab drive and we have some evidence and information on that.

Mr. DORIA. I said I did not recall any, and let us not say that I can testify to the fact I had not been present or maybe I had not heard.

I said I did not recall anything that indicated that to me.

The CHAIRMAN. Just a moment. Let the Chair proceed. Let us sum up on that amount of money that he got to get out of the union, or whatever he received. What does this policy or this annuity have to do with it? He got \$80,000 and then he got this annuity?

Mr. DORIA. Who got \$80,000?

The CHAIRMAN. That is what the contract called for, is it not?

Mr. DORIA. But only \$25,000 of that has been paid, and I am suing on the balance as a result of the pressure of AFL to them not to pay it.

The CHAIRMAN. You have got \$80,000 by agreement, and maybe you have not gotten all of the money, but you have the obligation to get \$80,000.

Mr. DORIA. Which they have defaulted.

The CHAIRMAN. What is the annuity? Is that something that the union is paying for?

Mr. KENNEDY. According to the study that we have made of it, Mr. Chairman, the annuity is worth between fifty and sixty thousand dollars.

The CHAIRMAN. You mean cash surrender of it?

Mr. KENNEDY. Yes.

The CHAIRMAN. And the union has paid for that?

Mr. KENNEDY. The full amount of that.

The CHAIRMAN. And it pays the amounts annually or pays the premium annually on it?

Mr. KENNEDY. Monthly, and we understand they pay monthly.

The CHAIRMAN. At any rate, the union is continuing to pay the premium on the policy?

Mr. KENNEDY. That is correct.

The CHAIRMAN. The policy has a value now of at least \$40,000 according to the witness.

I just wanted to get that.

Mr. DORIA. May I state the policy has no cash surrender value?

The CHAIRMAN. It must have some value.

Mr. DORIA. If someone can do that, I will work with them on a nice commission if they can get a cash surrender value out of it.

The CHAIRMAN. I did not say it had a cash surrender value.

Mr. DORIA. I thought you did.

The CHAIRMAN. I thought you had appraised it as being worth \$40,000.

Mr. DORIA. That is what I would sell it for, but you couldn't get it from a bank.

The CHAIRMAN. All right, let us proceed.

Senator CURTIS. Mr. Chairman, is that amalgamated workers international a part of the AFL-CIO?

Mr. DORIA. What is that? What are you referring to, Senator?

Senator CURTIS. What is the name of the organization, the Allied Industrial Workers?

Mr. DORIA. Yes, it is.

Senator CURTIS. And you were with that from the time of its taking that name, up until March 1 of this year?

Mr. DORIA. I was with that organization when it was a UAW-AFL, through the change of the name and up to March.

Senator CURTIS. Now, you have talked about filing suit and filing some more suits and so on, and is it your contention that all of your conduct and transactions with this international union and its predecessors by a different name, and all of the locals connected with it, which you worked with, that your conduct and financial transactions were all honest?

Mr. DORIA. Absolutely, positively and without question.

Senator CURTIS. Well now, do you know about the AFL-CIO Ethical Practices Committee?

Mr. DORIA. Yes, I do, and I have met the gentlemen.

Senator CURTIS. Who runs it?

Mr. DORIA. Who runs the ethical practices committee?

Senator CURTIS. Yes.

Mr. DORIA. I don't know who runs it.

Senator CURTIS. Well do Mr. Meany and Mr. Reuther have anything to do with it?

Mr. DORIA. They are not members of the committee, I don't believe.

Senator CURTIS. They are not members of the committee, but do they have any direction at all about it?

Mr. DORIA. I would assume that as officers they do.

Senator CURTIS. Well, now, is that the group that has made this charge against you and brought pressure on the international?

Mr. DORIA. They have refused to make the charge against me and no charge has ever been made by the international and no charge has been made by the AFL-CIO, and no charge has been made by anyone directly naming me until the time when the ethical practices committee came out with a report against this union. And then, by implication, without question, I was the one they pointed to. But in spite of the fact that I have offered repeatedly to take Mr. Meany and to take Mr. Reuther and Mr. Dubinsky and Mr. Al Hayes in a debate under oath with the proceedings of that debate to be given to the Justice Department, no one meets with me.

Senator CURTIS. You would come here and make such a debate, would you?

Mr. DORIA. Yes, I would. If you will bring George Meany, and Walter Reuther and David Dubinsky and Al Hayes here, I will debate them here under oath before this committee. I will answer every question.

Senator CURTIS. You believe them to be honest and honorable men, do you?

Mr. DORIA. I can't answer that question.

Senator CURTIS. You are not taking the fifth amendment on that?

Mr. DORIA. I am not taking the fifth amendment and I don't have any knowledge to testify to that fact.

Senator CURTIS. But you would recommend Dio as a good man?

Mr. DORIA. I would take Dio's word before the four of them put together, and I know it would be lived up to, and I think they know it would be lived up to.

Senator CURTIS. Why do you make such a charge against those men?

Mr. DORIA. I am not making any charge and I refused to answer because I did not know.

Senator CURTIS. Why do you want to debate them in public? What is their disagreement about?

Mr. DORIA. Because of the fact that they have behind the scenes carried on the pressure against me personally, because I tried to build this union and the building of this union interfered with their own plans within the movement to eliminate the dual unions of the movement.

What other reason would there be for a man like Meany to say to me, "You have got to give up the taxicabs," after we had won legiti-

mate elections before the New York Board and had the membership established and recognized under law not by agreements?

Under law it was under orders to bargain, and then not even provide an organization for those people to go to.

Who was he protecting? Who was he protecting?

The CHAIRMAN. You might speak a little louder.

Mr. DORIA. Well, this is something, Senator, that has griped me from the day it happened. I think it is the blackest mark in the labor movement that I have ever seen, in spite of anything that has come before this committee.

The CHAIRMAN. Go ahead and get it off your chest.

Mr. DORIA. And never a reason given. When I went in to organize the taxicabs, I had clearance from joint council 16. I had clearance from Dan Tobin. The teamsters did not want them. Only after that clearance did I go ahead and organize. The teamsters had failed, I think the transport workers failed and John L. Lewis failed to organize the taxi workers.

My procedures did succeed in organizing the taxi workers. After they were partially organized, we got an order to disband the organization. I made the approach to the teamsters. They never requested it. But those people were let out on the street after winning their union, no bargaining, no contracts, simply because this union was not supposed to grow in New York.

Senator CURTIS. That is quite far afield from my question of whether or not they were making charges against you in reference to your financial conduct.

Mr. DORIA. They have never made any charges in reference to my financial conduct and there has never been such a charge, either from my union or from the AFL.

Senator CURTIS. Is there anything wrong with your financial transactions?

Mr. DORIA. There is none that I know of, no. I adhere to the rules that are prescribed for me to follow.

Senator CURTIS. That is all.

The CHAIRMAN. Proceed, Mr. Counsel.

Mr. KENNEDY. Just in connection with the point of whether Mr. Dio, Mr. Hoffa, and Mr. Doria, were discussing the bringing of the taxicab organization of the UAW-AFL into the teamsters, we have a recording, Mr. Chairman, that was made on May 26, 1953, between Mr. Dio and Mr. Doria in connection with this. It is one of a group of recordings that we have in connection with this, but it is the only one that we plan to play at the present time.

The CHAIRMAN. Let us hear it.

May I ask, have you got it transcribed?

Mr. KENNEDY. I am afraid we don't have it transcribed.

The CHAIRMAN. We will try to listen. I want the staff to transcribe this.

(Transcript of recording follows:)

(Order of the court pertaining to the use of tape recordings follows:)

(The following is a transcript of the telephone conversation of the call from Mr. Anthony Doria to Mr. John Dio on May 26, 1953:)

The OPERATOR. The party they were calling was Mr. Johnny Dio. There you are. Just a moment. He is not on the line yet. I will hold on.

Mr. DIO. Hello, Doria, how are you, boy?

Mr. DORIA. All right.

Mr. DIO. Well, boy, I am telling you, I have been trying to get you.

Mr. DORIA. I have been in a meeting since 9 o'clock this morning.

Mr. DIO. No kidding?

Mr. DORIA. Yeah.

Mr. DIO. What kind of a job do you have?

Mr. DORIA. Well, that curly haired fellow, he was in town, you know, and he went back, and here is something. Last night when I got through, I was ashamed to call you at home, you know what I mean.

Mr. DIO. So I wanted to know what you had to tell me, which I still want to know.

Mr. DORIA. Well, here is the thing, Johnny. You know I had quite a little session I spoke to you about yesterday, and I am convinced after the session that the things on this end are all right.

Mr. DIO. You are, huh?

Mr. DORIA. Yes.

Mr. DIO. Well, all right. So nobody called you yet, have they?

Mr. DORIA. Yes, Friday.

Mr. DIO. On Friday?

Mr. DORIA. I found there was a call standing waiting for me Friday, and I haven't bothered to do anything about it.

Mr. DIO. Is Phil back?

Mr. DORIA. I don't know yet, because I haven't been able to see him. They have got fights on tonight and I have been trying to get ahold of him, and I haven't been to locate him.

Mr. DIO. I didn't mean that Phil. I meant that curly haired fellow.

Mr. DORIA. He is not here.

Mr. DIO. Do you know what I mean?

Mr. DORIA. Yes.

Mr. DIO. Do you know what I mean? Not they guy who was the delegate.

Mr. DORIA. I know.

Mr. DIO. The other fellow.

Mr. DORIA. I haven't seen anybody.

Mr. DIO. No, no. I mean he was in New York.

Mr. DORIA. Yes, and I haven't seen him yet.

Mr. DIO. You are not supposed to see him. Are you confusing him now? I don't mean Reilly, the other Phil that came to you once with that other fellow.

Mr. DORIA. I have never seen them.

Mr. DIO. He is in New York now.

Mr. DORIA. He is?

Mr. DIO. Yes; he left now today. He left today. He should be out there tonight.

Mr. DORIA. Yeah.

Mr. DIO. Not to you.

Mr. DORIA. I follow you.

Mr. DIO. That is where I have been all day.

Mr. DORIA. Yeah.

Mr. DIO. So I should know something tomorrow.

Mr. DORIA. You should.

Mr. DIO. Yeah.

Mr. DORIA. Because I found out here that after a lot of little chaff, there is nothing.

Mr. DIO. That is good to know.

Mr. DORIA. What is that?

Mr. DIO. That is good to know.

Mr. DORIA. And all of the other stuff can be explained. You know the stuff that has been written up and all of that.

Mr. DIO. Yes.

Mr. DORIA. It can be explained right.

Mr. DIO. Let me ask you this: Is he still traveling around with people?

Mr. DORIA. Yes, and he will hold him for the rest of his life until they have solved that thing.

Mr. DIO. That is all right. Anyway, we will talk about that better tomorrow. Have you heard from Jimmy?

Mr. DORIA. No, as a matter of fact there is a misunderstanding as far as Jimmy is concerned.

Mr. DIO. What is the misunderstanding?

Mr. DORIA. Jimmy is still under the impression that everything is the way we left it with Beck, with the exception of the financing of the organizational drive.

Mr. DIO. Well, that is right. That is what I understand happened.

Mr. DORIA. What?

Mr. DIO. Wasn't that the way it happened?

Mr. DORIA. No.

Mr. DIO. Well, what happened?

Mr. DORIA. The thing that I am concerned about is the position that you would be placed in in the picture.

Mr. DIO. Well, look, are we interested in my position right now?

Mr. DORIA. What?

Mr. DIO. Are we interested in it?

Mr. DORIA. I am very much interested.

Mr. DIO. What did Jim say?

Mr. DORIA. Jim said it is the way it was.

Mr. DIO. The way we left off?

Mr. DORIA. That is right, with the exception of the fact that the teamsters won't commit themselves on whether they are going to carry our drive to the same extent, which is O. K. with me. The thing is 100 percent.

Mr. DIO. How do we make the transfer, and when do we start?

Mr. DORIA. But the angle that I am concerned with is that that is not what Mohn told us.

Mr. DIO. Well, now, right. Now, the answer is this: That Jimmy was supposed to let me know.

Mr. DORIA. You haven't been able to get ahold of him?

Mr. DIO. I haven't tried.

Mr. DORIA. Well, you ought to try.

Mr. DIO. Well, do you remember, he said he would like to be left alone.

Mr. DORIA. Don't worry about it because he is under a misapprehension on the whole thing.

Mr. DIO. Oh, yeah?

Mr. DORIA. I am sure of that, because the reason I know is this: Yesterday, they had some legal problem and Dave talked to him before I knew about it, and otherwise I would have tried to get ahold of him myself. He told Dave, he said, "Well, it is a swell deal and it will work out good."

Mr. DIO. I talked to him Sunday.

Mr. DORIA. What?

Mr. DIO. I talked to him Sunday.

Mr. DORIA. Now, that is the impression.

Mr. DIO. I talked to him Saturday night, rather.

Mr. DORIA. Well, somebody is cockeyed.

Mr. DIO. Don't you think you ought to try calling him?

Mr. DORIA. I have been trying to get ahold of him—

Mr. DIO. And you can't get him?

Mr. DORIA. I haven't been able to get him yet, and I know he is tied up at the convention all day.

Mr. DIO. Yeah.

Mr. DORIA. And then when he gets away, he probably is not around long enough to get ahold of.

Mr. DIO. Do you think I had better go out there?

Mr. DORIA. No, I don't think it is necessary. Personally, I don't think so. I want to talk to him because what he told Dave to me is not my understanding. He told Dave it is O. K.

Mr. DIO. That is not my understanding either, and I understand like you do.

Mr. DORIA. That is right, because what he told Dave is not the deal. Everybody is going to get a good break, and the boys are going to be taken care of, and their organizational drive will continue.

Mr. DIO. That is right.

Mr. DORIA. And the whole deal will be good.

Mr. DIO. That is right.

Mr. DORIA. But I think Jimmy has got—I think Jimmy still understands on the basis that it was when he left.

Mr. DIO. Well, I spoke to him Saturday. Tony, and he was mad.

Mr. DORIA. I don't understand what he told Dave then.

Mr. DIO. He was supposed to call me back Sunday or Monday.

Mr. DORIA. Because Dave called me yesterday, and he said, "Well, I understand you got that thing."

Mr. DIO. He was supposed to call me Sunday or Monday.

Mr. DORIA. Yeah.

Mr. DIO. I don't like to call the guy, because maybe I am tying him up.

Mr. DORIA. I don't think you would be, I am trying to reach him.

Mr. DIO. All right, I will do it, too.

Mr. DORIA. I am trying to reach him from here.

Mr. DIO. Now, all right, I will try to reach him. Now tomorrow you will hear from me—and where are you going to eat lunch?

Mr. DORIA. Well, for lunch I will be at the same place I usually eat.

Mr. DIO. The hotel?

Mr. DORIA. Yeah.

Mr. DIO. Very good. It is better I talk to you there.

Mr. DORIA. Yeah.

Mr. DIO. You will be there around 12:30?

Mr. DORIA. Yeah.

Mr. DIO. Two-thirty my time?

Mr. DORIA. Right.

Mr. DIO. Very good. Now, let me ask you this: I am mailing you out a flock of that stuff.

Mr. DORIA. Good.

Mr. DIO. Now, should I make you out for this week, or what?

Mr. DORIA. What do you mean, Johnny?

Mr. DIO. I mean this week, you know, the other two guys, one guy anyway.

Mr. DORIA. Well, Johnny, look.

Mr. DIO. All of the part-time guys are off this week.

Mr. DORIA. Yeah.

Mr. DIO. I will try to get him, Al Schecane, Jacobson, and Skie, and they get it from there.

Mr. DORIA. Those guys will be automatically taken care of until the end of the month.

Mr. DIO. Everybody is off, and no part-time guys.

Mr. DORIA. Now, all of the guys that are on are automatically taken care of until the end of the month. And in other words, Friday ending this month will be the last one as far as they are concerned.

Mr. DIO. Well, that is this week, isn't it?

Mr. DORIA. Let me see, it will be taken care of. What is the day today? Today is the 26th; that is right.

Mr. DIO. All right, now, what I am talking about is the other money with the slips. Did you want me to send them to you, or if it won't do you any good I will hold onto them.

Mr. DORIA. I would like to have them all, because as I told you I am going to try to cover it all up.

Mr. DIO. Okay.

Mr. DORIA. Send them all to me. Give me a list on the whole deal and then give me the total.

Mr. DIO. Right.

Mr. DORIA. And then don't forget to send along the Bergman bill.

Mr. DIO. He didn't send me a bill yet.

Mr. DORIA. As soon as he sends it, send it in so we can get that one cleaned up, to and I will do my best on covering the whole thing.

Mr. DIO. Very good.

Mr. DORIA. Okay.

Mr. DIO. I will talk to you today.

Mr. DORIA. All right, Johnny.

Mr. DIO. You will be talking to me tomorrow?

Mr. DORIA. Yeah, and I think I will have a little more on the stuff.

Mr. DIO. Very good.

Mr. DORIA. Okay, boy, by-by.

COURT OF GENERAL SESSIONS, COUNTY OF NEW YORK

IN THE MATTER OF INTERCEPTING TELEPHONIC COMMUNICATIONS TRANSMITTED
OVER CHICKERING 4-7284, 7285, AND 7286

It appearing from the affidavit of Alfred J. Scotti, Chief Assistant District Attorney of the County of New York, sworn to on April 3, 1957, that it is in the public interest to furnish to the United States Senate Select Committee on Improper Activities in the Labor or Management Field, of which the Honorable John L. McClellan of Arkansas is Chairman, and Robert F. Kennedy is Chief Counsel, certain transcripts and information with respect to the interception of telephonic communications during the period January 7, 1953, to July 7, 1953, which were transmitted over the telephone instruments designated as CHICKERING 4-7284, listed in the name of local 649, United Auto Workers, American Federation of Labor; CHICKERING 4-7285, listed in the name of Local 102, United Auto Workers, American Federation of Labor; and CHICKERING 4-7286, listed in the name of Local 185, United Auto Workers, American Federation of Labor, located at premises 577 Ninth Avenue, in the City and County of New York, it is

Ordered, That the District Attorney of New York County be, and he hereby is, authorized and empowered to furnish said Committee with the transcripts and information with respect to the interception of telephonic communications transmitted over each of the above identified telephone instruments during the period set forth hereinabove, for the use of said committee in connection with and in the course of its said investigation.

Dated: New York, N. Y.

(s) JOHN A. MULLEN, J. C. G. S.

COURT OF GENERAL SESSIONS, COUNTY OF NEW YORK

IN THE MATTER OF INTERCEPTING TELEPHONIC COMMUNICATIONS TRANSMITTED
OVER CHICKERING 4-7284, 7285, AND 7286

STATE OF NEW YORK,

County of New York, ss:

Alfred J. Scotti, being duly sworn, deposes and says:

I am the Chief Assistant District Attorney in and for the County of New York and in charge of the Rackets Bureau of the District Attorney's Office.

This is an application for an order permitting the District Attorney of New York County to furnish to the United States Senate Select Committee on Improper Activities in the Labor or Management Field, of which the Honorable John L. McClellan of Arkansas is Chairman, and Robert F. Kennedy is Chief Counsel, certain transcripts and information with respect to the interception of telephonic communications transmitted over CHICKERING 4-7284, listed in the name of Local 649, United Auto Workers, American Federation of Labor; CHICKERING 4-7285, listed in the name of Local 102, United Auto Workers, American Federation of Labor; and CHICKERING 4-7286, listed in the name of Local 185, United Auto Workers, American Federation of Labor, located at premises 577 Ninth Avenue, in the City and County of New York, during the period hereinbelow set forth.

On January 30, 1957, the Senate of the United States duly adopted a resolution by which the said committee was authorized to investigate improper activities in the labor or management field, with the purpose of obtaining information upon which the United States Senate could consider the advisability of adopting new legislation or modifying or amending present statutes.

The said Committee thereafter conducted both public and private hearings with this end in view, and has subpoenaed and interrogated numerous witnesses from various localities and States of the United States.

The Committee is now planning to extend its investigation to the area of New York State and in this connection has issued, or contemplates the issuance of, a subpoena to John Diognardi, a former official of the said Locals, for interrogation in connection with said investigation.

In August 1956, and again subsequent to January 30, 1957, the date the said resolution above referred to was adopted, said Chief Counsel of said Committee requested that this office furnish him, for the use of the said Committee, all transcripts and information reflecting the interception of all telephonic communications transmitted over the telephone instruments hereinabove described

The records of this office reveal that the telephonic communications transmitted over said instruments were intercepted during the period hereinbelow set forth. All of said interceptions were pursuant to orders issued by Judges of the Court of General Sessions under Section 813a of the Code of Criminal Procedure.

The dates during which the said telephonic communications were intercepted were January 7, 1953, to July 7, 1953.

It is respectfully submitted that the District Attorney of New York County be authorized, in the public interest, to furnish to the United States Senate Select Committee on Improper Activities in the Labor or Management Field the said transcripts and other information for the use of said Committee in connection with and in the course of its said investigation.

No previous application has been made for the order herein requested.

(s) ALFRED J. SCOTTI.

Sworn to before me this 30th day of April 1957.

KATHRYN A. DONOHUE,

Notary Public, State of New York, No. 31-0993100,

Qualified in New York County. Commission expires March 30, 1959.

The CHAIRMAN. Mr. Doria, did you recognize your voice?

Mr. DORIA. No. It wasn't the sonorous voice that I thought I had, but I think it is my conversation without any question.

The CHAIRMAN. You think it is your conversation without any question?

Mr. DORIA. That is right.

The CHAIRMAN. Who is Jimmy referred to in there?

Mr. DORIA. Jimmy is Jimmy Hoffa.

The CHAIRMAN. I see. So I believe you did have some conversations about the drive?

Mr. DORIA. Well, doesn't that record clearly indicate somebody else was making the deal?

The CHAIRMAN. I do not know what it indicates.

Mr. DORIA. I think it indicates quite clearly.

The CHAIRMAN. Except I thought you said you had had no conversation.

Mr. DORIA. With what? I didn't say that. I said I didn't recall of any conversation with Jimmy. I didn't say I hadn't had any. I have spoken to Jimmy on so many occasions that I couldn't tell you whether we discussed that or not.

The CHAIRMAN. This refreshed your memory some, did it?

Mr. DORIA. Well, I don't know the exact situation there.

What time was that record taken?

The CHAIRMAN. When did you have the conversations?

Mr. DORIA. I don't know that. I don't know even when I had that conversation with Johnny. But that record clearly indicates that somebody else made the deal, just as I testified to this morning. Because the thing that I am trying to solicit there, quite evidently, is whether the deal was made with Beck or Einar Mohn apparently still stood.

The CHAIRMAN. All right.

Mr. KENNEDY. Is it not a fact that the deal was originally that Dio was to come into the teamsters organization, that this was being handled by Jimmy Hoffa who was urging that the teamsters bring in the UAW-AFL taxicab organization led by Johnny Dio, that they come into the teamsters, that this was opposed at the meeting at the Hampshire House in New York City by Tom Hickey, that it was opposed at that time, that ultimately George Meany went to Dave Beck and said that the teamsters should not bring Dio and the rest of that

organization into the teamsters, and Dave Beck then reversed his position, overruled Jimmy Hoffa, and Johnny Dio and the rest of the organization were out of the picture? Is that not correct? Is that not what happened?

Mr. DORIA. Well, now, Mr. Kennedy, how do you expect me to testify to the meetings between Beck and Meany and the meetings between Hickey and these other people? How would you expect me to testify to that?

Mr. KENNEDY. There is no question in the conversation that you had with Dio at that time that you knew what was going on, that you were being kept advised.

Mr. DORIA. Apparently I was trying to find out, not being able to contact Beck or Einar Mohn, from Jimmy, whether or not he heard anything, and you can see by that record that Jimmy's position contrary to any agreement I made with Beck or Einar Mohn.

(At this point, Senator Curtis withdrew from the hearing room.)

Mr. KENNEDY. Your testimony earlier was that, as you understood it, Johnny Dio was to remain with the UAW-AFL?

Mr. DORIA. That record certainly does not indicate that Johnny was going anywhere else.

Mr. KENNEDY. It indicates that you were certainly concerned about what his future was going to be in the future in this matter. That is what you stated.

Mr. DORIA. I didn't get that out of the record. Out of that record I only got one thing.

Mr. KENNEDY. Dio said, "Do you mean you were concerned about me?"

And you said, "Yes, of course, I am concerned about you, concerned about the part you were going to play in the picture."

Mr. DORIA. Yes, but I was concerned about where he was doing to go.

Mr. KENNEDY. I thought you said there was no question, that he would stay—

Mr. DORIA. That was because of what Jimmy told me, not because of the agreement that we made.

Mr. KENNEDY. What did Jimmy tell you?

Mr. DORIA. I don't remember the conversation with Jimmy. That conversation is not that important in my life. I was merely trying to check on the agreement. What was important to me was the agreement that I thought I had made with Beck and with Einar Mohn.

Mr. KENNEDY. Yes, that Johnny Dio, on the urging of Jimmy Hoffa, Johnny Dio was to come into the teamsters movement and then Meany brought pressure on Einar Mohn and Dave Beck and that was overruled, and that was the question; that was the problem.

A few days later, Jimmy Hoffa came to New York and you all met in the Hampshire House. Is that correct?

Mr. DORIA. I can't follow that series of events, because you are injecting something in there that I could not possibly have participated in. I could have been no part of that.

Mr. KENNEDY. You met in the Hampshire House?

Mr. DORIA. Yes, we met in the Hampshire House, many, many times.

Mr. KENNEDY. Well, I think the conversation speaks for itself.

Mr. CHAIRMAN. I might say that Mr. Doria in that conversation mentioned closing out the taxicab drive in New York, that he would

send a check, and that the people who had been on the payroll would be paid.

We have a letter here dated 2 days later, from Anthony Doria to Johnny Dio, in connection with this matter.

The CHAIRMAN. I hand you a carbon copy of a letter dated May 28, 1953, addressed to John Dioguardi, business manager.

I thought you said you did not have any manager?

Mr. DORIA. We never recognized business managers.

The international union has no category of business manager. That was an expression that was purely a New York expression. We don't have any reference in our constitution, in our setup, no provision for a business manager. We don't have a single business manager of any local union.

The CHAIRMAN. You testified this morning you did not have a business manager.

Mr. DORIA. That is right. I am still testifying to that.

The CHAIRMAN. Well, I do not know.

Mr. DORIA. A lot of those things—

The CHAIRMAN. Well, anyway, it is a carbon copy of a letter from you to John Dioguardi, business manager. Look at it and see if you identify it.

(Document handed to witness.)

Mr. DORIA. Yes, this is a letter that I wrote.

The CHAIRMAN. That letter may be made exhibit No. 94.

(The document referred to was marked "Exhibit 94," for reference, and will be found in the appendix on p. 4486.)

The CHAIRMAN. I notice in the letter, among other things, that it refers to a check being enclosed.

Mr. DORIA. Two checks, I think.

The CHAIRMAN. Two checks, yes.

One for \$2,978.99 and the other for \$1,500.

I thought I heard something about sending some money in that conversation.

Mr. DORIA. That is right.

The CHAIRMAN. Is this the money you were talking about?

Mr. DORIA. Probably, because there was the payroll to be met of the organizers that were working in the organizational drive in taxicabs and that was the obligation of the international union until the drive was brought to a close. The check referred to in the latter paragraph is to cover attorneys' fees, for attorneys who made appearances for the local union and paid for by the international union.

Mr. KENNEDY. It is to Johnny Dioguardia, business manager, and signed by Anthony Doria, the international secretary.

DEAR JOHNNY: I am enclosing herewith one check, No. 1671, in the amount of \$2,978.99, which will close out all outstanding expenditures of the local union as of the close of our drive in taxis, and turning it over to the teamsters. Salaries, of course, for those employed and paid from the international office, will continue until and will terminate on May 29, 1953.

Also, I am enclosing check 1672 in the amount of \$1,500 in order to defray the expenses of attorney appearances before the New York Labor Relations Board by Irving Bergman.

This, I believe, should close out completely the outstanding expenditures so that the entire drive and the records of this drive may be brought to a close.

Mr. DORIA. As far as the international was obligated, that is right.

MR. KENNEDY. There is a point in here, No. 1, that you are turning the drive over to the teamsters, that the decision had been made; and No. 2, that you say that all outstanding expenditures of the union had been taken care of, and yet a year later you paid Johnny Dio \$16,000 on the grounds that they were outstanding expenditures of the union.

MR. DORIA. Mr. Kennedy, if you are going to ignore all the testimony I brought before this committee, I think we can make statements like that. But I told you yesterday morning that the drives started in New York were contemplated to be financed by the local unions themselves. The \$16,000 paid to Johnny Dio came as a result of Johnny Dio's resignation from local No. 649, not local 102. As long as he was in 649, and 649 was the offshoot of 102, there was an opportunity for him to be reimbursed for his legitimate vouchers. Once he terminated that, there was no longer an opportunity. That was my understanding of the only consideration involved in the \$16,000 payment to Johnny Dio.

MR. KENNEDY. That says absolutely nothing.

THE CHAIRMAN. Is there anything further?

MR. KENNEDY. That is all, Mr. Chairman.

THE CHAIRMAN. Is there anything further?

SENATOR IVES. I have nothing, Mr. Chairman.

THE CHAIRMAN. Mr. Doria, is there anything further you wish to state before the Chair makes a statement?

MR. KENNEDY. Mr. Chairman, we do have these checks from Kallas to him.

THE CHAIRMAN. We spoke about some checks this morning by Mr. Kallas.

MR. DORIA. Spiros W. Kallas.

THE CHAIRMAN. I will present you one of those checks, that I think has been testified to here, made payable to you, special trust account, dated January 7, 1956, in the amount of \$11,101.75, signed by Spiros Kallas.

Will you examine that check and see if you identify the photostatic copy of it?

(Document handed to witness.)

MR. DORIA. Yes, this is the check that Kallas sent to me as part of the money that we used in our joint venture in the mining business. It has nothing to do with the union at all.

THE CHAIRMAN. I present you another one dated June 21, 1955, in the amount of \$9,000 from Kallas to Kallas, and it bears your endorsement as if you finally got the money on it. Will you examine that and state if you identify it?

(Document handed to witness.)

THE CHAIRMAN. The other check will be made exhibit 95.

(The document referred to was marked "Exhibit No. 95," for reference, and will be found in the appendix on p. 4487.)

MR. DORIA. I am thinking of one more thing as I look at these checks. There are also some checks upon the dissolution of our partnership in business that I do not want to confuse with these. But, from memory, the \$9,000 check seems to be another one that was used in the mine. But I would like to segregate those checks that Kallas paid to me as a result of the dissolution of our partnership and corporation.

I cannot tell from this just what is which. But if I have them altogether, possibly I can pick them out.

The CHAIRMAN. That check will be made exhibit 96.

(The document referred to was marked "Exhibit No. 96," for reference, and will be found in the appendix on p. 4488.)

The CHAIRMAN. The Chair now hands you three checks. One of them is in the amount of \$5,000, dated March 18, I believe it is, 1955, and it is also from Kallas, made payable to you.

The next one is in the amount of \$4,500, dated August 14, 1956. It is signed Joseph P. Becker, and the check is made payable to you. Marked on it it says "Payment in full of loan."

I hand you another one dated September 18, 1956, made payable to you, and it is signed by Kallas, in the amount of \$600.

Examine each of those checks in order and state if you identify them.

(Documents handed to witness.)

Mr. DORIA. Yes, these are all checks that were received by me from Kallas, and they may represent—I can't separate them—part of the purchase of my interest in the company that we had together as well as two checks that represent an investment in the mining venture in which we are both involved.

The CHAIRMAN. They may be made exhibits 97, 98, and 99, in the order in which the Chair presented them to the witness.

(The documents referred to were marked "Exhibits 97, 98, and 99," for reference, and will be found in the appendix on p. 4489-4491.)

Mr. DORIA. None of these checks have anything to do with the union.

Mr. KENNEDY. Who owns the stock for this venture?

Mr. DORIA. There is no stock in it, Mr. Kennedy. It is a joint venture. All we have is royalty interest.

Mr. KENNEDY. Do you have the power of attorney of Kallas?

Mr. DORIA. Yes. I have to, to operate in the Roxey Enterprise, yes.

Mr. KENNEDY. Did you loan the money to Roxey Enterprises?

Mr. DORIA. No. These checks that are being brought here, to the best of my recollection, represent approximately \$20,000 that went into the enterprise that was gotten from Kallas, and the payment of my interest in the sale of the interest which I had in Badger Realty, Panoramic, and Tico-Tico.

Mr. KENNEDY. Wasn't it \$4,500 loaned?

Mr. DORIA. The \$4,500—I don't know why he has this thing marked "payment in full of loan," unless—that I can't tell why he has marked it that way, but my record with respect to the sale is that I received \$25,000 from him in total on the interest I had in there, and in addition to the \$25,000 I received from him the investment in the mine of approximately \$20,000, and in addition to that, also, the return of a loan which he made to me in Trans-America.

Mr. KENNEDY. That \$5,000 loan—he made a \$5,000 loan to you so that you could then loan money to——

Mr. DORIA. This was a Trans-America loan.

Mr. KENNEDY. Who owned Trans-America?

Mr. DORIA. Trans-America was owned by me and Kallas.

Mr. KENNEDY. So Kallas loaned Doria \$5,000 so Doria could loan Doria and Kallas \$5,000?

Mr. DORIA. No.

Mr. KENNEDY. Didn't you loan \$4,500?

Mr. DORIA. No. This was the money that was used in order to establish an account under Trans-America.

Mr. KENNEDY. Didn't you loan \$4,500 to Trans-America?

Mr. DORIA. Here is the way it was.

Mr. KENNEDY. Just answer the question.

Mr. DORIA. I can't answer it that way.

Mr. KENNEDY. Did you or did you not?

Mr. DORIA. What?

Mr. KENNEDY. Did you loan \$4,500 to Trans-America?

Mr. DORIA. I can't answer it on that basis. He handled this transaction for me. He loaned me \$5,000 to establish Trans-America. I think he used \$500 of the loan for purchase of the stock. I believe \$4,500 of the loan constituted my loan to Trans-America.

Mr. KENNEDY. Who owned Trans-America?

Mr. DORIA. Trans-America was our corporation.

Mr. KENNEDY. So he loaned you \$5,000, of which you loaned \$4,500—

Mr. DORIA. He loaned me \$5,000 to go into business with him, and then we divided the business on the way we divided the stock and the operating stock of Trans-America. I hope the Bank of America doesn't think we are talking about them.

The CHAIRMAN. The Chair has placed in the record just before the playing of the recording the court order authorizing this committee to make use of the wire tape recording. That will be printed in the record at the point where the recording was made.

I have an affidavit here.

Mr. Kennedy, would you read the writing?

I want you to pay close attention to this affidavit. There may be some questions to ask you about it.

Mr. KENNEDY (reading):

STATE OF NEW YORK,

County of (blank):

I, Sam Smith, residing at 1873 Loring Place, Apartment 4a, Bronx, N. Y., being duly sworn testify as follows:

About 5 years ago Jack Nemorowsky, Irving Sachs, and I were interested in organizing the cabdrivers in the Bronx. We heard about local 102, UAW-AFL in Manhattan being a catchall union and decided to go down and talk to the people there. We went to the local offices on 35th Street between 5th and 6th Avenues in Manhattan and spoke with George Semelmacher and Johnny Dioguardi. Dio agreed to try to organize the taxi drivers and put me on the local's payroll as an organizer at \$67 per week plus \$15 for expenses. These sums were sometimes paid in cash and sometimes by check. Jack Nemorowsky was also an organizer and he was on the local's payroll. He continued driving his cab while organizing. After a month or two I was put on the International UAW payroll and received about \$67 weekly by check. I left the local about 9 months later, which would be about March or April of 1952. At the end of that year I received a W-2 form, Federal income tax withholding statement, from international headquarters, UAW, which overstated my pay by several hundred dollars. I spoke with the internal revenue office and was told to write a letter to the international headquarters calling attention to this discrepancy. I did this but never received a reply.

I was told by Jack Nemorowsky, who continued to be associated as secretary-treasurer with the taxi local 102 and John Dio after I left that my paychecks

continued coming in from international headquarters to the local office. I have no information as to what disposition was made of these checks.

/s/ SAMUEL SMITH.

Sworn to before me this 7th day of August 1957.

ANTHONY J. DiSALVO,

Notary Public, State of New York, No. 41-0968150.

Qualified in Queens County. Term expires March 30, 1959.

The CHAIRMAN. The full affidavit may be printed in the record. Are there any questions about it, Mr. Kennedy?

Mr. KENNEDY. We have an affidavit from Mildred Clatworthy on the same matter, Mr. Chairman. Can I read the last pertinent paragraph?

The CHAIRMAN. This affidavit will be printed in the record in full. You may read any pertinent parts of it to the witness, if you care to interrogate him about it.

Mr. KENNEDY. She was employed by the United Automobile Workers, AFL, from 1952 until 1954, in Milwaukee, Wis., and during that time she worked under Mr. Anthony Doria, who was then international secretary-treasurer. The affidavit read:

AFFIDAVIT

DISTRICT OF COLUMBIA,

City of Washington, ss:

I, Mildred Clatworthy, duly sworn, depose and say:

I make the following statement freely and voluntarily to Mr. Paul J. Tierney, whom I know to be an assistant counsel on the staff of the United States Senate Select Committee on Improper Activities in the Labor or Management Field. I have been advised that this statement may be used in public hearings before said committee.

I reside at 1724 West Howard Avenue, Milwaukee, Wis.

I was formerly employed as a bookkeeper at the international offices of the United Automobile Workers, AFL, from 1952 until 1954, in Milwaukee, Wis. During that time, I worked directly under Mr. Anthony Doria, who was then the international secretary-treasurer of the UAW-AFL.

While I was employed at the international offices, I learned that numerous checks were drawn on the union account and made payable to Anthony Doria. I was advised that these checks were to be held in reserve for contemplated employees' or officers' raises.

When I began employment with the United Automobile Workers we sent 1,500 dues stamps monthly to local 102 in New York. These stamps were sent directly to Mr. Dioguardi upon Mr. Doria's instructions. As new locals were chartered each would initially be sent several hundred stamps. However, the number of stamps were accelerated until several of the New York locals were sent 1,500 stamps on a monthly basis. These stamps also were sent directly to Mr. Dioguardi upon Mr. Doria's instructions. I believe each stamp to be worth approximately \$2.50 apiece. With very few exceptions, no stamps were returned to the international offices.

Following an audit made of the books in the International's office relating to local 286 in Chicago, I determined that \$40,000 in initiation fees and supplies had been uncollected from the local by the international.

During 1953, I made out withholding tax statements for individuals on the international's payroll who were working in the New York region. It is my recollection that I was to send all of these withholding-tax statements directly to John Dioguardi, who was then acting regional director. Inadvertently, I mailed these withholding-tax statements directly to the individuals at their home addresses. As a result of the above, we immediately heard from one John Romano who, as I recall, stated that he had only actually been on the payroll for a few weeks, but the withholding-tax statements revealed that he had been on the payroll for some 6 months. We also heard from one Sam Smith, who made a complaint similar to Romano's.

I have read the foregoing statement and, to the best of my knowledge, it is true and correct.

MILDRED CLATWORTHY.

Witness:

PAUL J. TIERNEY.

Sworn to and subscribed before me this 9th day of August 1957.

[SEAL]

YVONNE SCOTT, *Notary Public*.

My commission expires April 15, 1958.

(At this point in the proceeding, Senator Goldwater entered the hearing room.)

The CHAIRMAN. Have you any comments about that affidavit, Mr. Doria?

Mr. DORIA. Yes. That came to my attention. I, as a matter of fact, received the communication from Mr. Romano, who was a young lawyer that at the time was working, I believe, with—I don't know what particular local, but with the locals in New York, we will state, to make it brief.

I do also recall the Sam Smith incident. I got hold of John Dio at the time and when I went into New York following the receipt of those, on my next trip, they told me that the thing had been resolved and it had been settled, that there was some misunderstanding with respect to it, because at that time I had requested that this order for our records to be kept straight, if there was a discrepancy, it ought to be brought to the attention of the international. They told me when I got to New York that the misunderstanding had been straightened out.

That is all I knew about it.

The CHAIRMAN. Did you ever get the money back on the checks that were sent there?

Mr. DORIA. No; there was no money gotten back from the checks.

The CHAIRMAN. You don't know what happened to it?

Mr. DORIA. I assume it ultimately went to the people that had it coming. There was no further complaint as far as we were concerned.

The CHAIRMAN. He said he didn't have it coming, that he quit work.

Mr. DORIA. He never sent that to me. When I got into New York, they told me that the whole thing had been squared away, it was settled, and there was no more issue with respect to it.

Mr. KENNEDY. The situation that we had in local 227, one of Mr. Dio's locals, there we had a situation where the checks were made out to individuals and then the signatures were forged, and the officers of the union collected this money, amounting to about \$22,000. There is a direct simile between what occurred here and what occurred in local 227.

Mr. DORIA. If anybody appropriated money that was not their own, they ought to be prosecuted.

Mr. KENNEDY. They have been indicted.

Mr. DORIA. They ought to be prosecuted if they did it.

The CHAIRMAN. All right.

Is there anything further?

The Chair will make a brief statement here of some of the testimony we have had. I am going to do it because I am going to make an order here with respect to it in just a moment.

During the course of these hearings, we have had testimony from witnesses to the effect that you had supervision over the New York

area for the international. During this period of time, Johnny Dio was brought into the labor union, as well as at least 20 individuals of unsavory character, all of whom were ultimately arrested for extortion, bribery, or embezzlement.

(At this point, Senator Ives withdrew from the hearing room.)

The CHAIRMAN. According to the testimony here, you admitted, in part, you participated in arrangements to pay Dio \$16,000. As secretary-treasurer you signed the check, even though there were not vouchers, not sufficient vouchers, at least, or other evidence that Dio was entitled to that money when he ostensibly left the UAW in 1954.

Even though he was paid the \$16,000 to withdraw from the UAW-AFL, Johnny Dio was kept advised by you, and that is your testimony, of the activities of the various UAW unions in New York City. From correspondence the committee has examined, Dio obviously had some kind of supervisory position during 1955, while at the same time he was representing management and selling protection from unions to management.

I don't know whether that position he had was official or whether there was some kind of a working arrangement. According to the records of the union, it would not be official. But it was some extra-curricular arrangement. I don't know just what to make of it, but, obviously, you kept him fully informed.

You participated with Jimmy Hoffa and Johnny Dio in attempting to bring Dio's operations into the teamsters' movement, even though that was after Dio had been pronounced by respective leaders of organized labor as not acceptable.

You made no accounting of the funds that came into your possession from defunct locals, which sums amounted to thousands of dollars. In 2 instances at least, the money from a check amounting to \$9,620, the proceeds from the sale of a bond, and another check amounting to \$4,727, again proceeds from the sale of bonds, these have been, these moneys have been, traced directly to you.

You have no records, although you occupied the position of secretary-treasurer of that international union, you have no records, no vouchers showing what you did with this money. We do not know. I am sure there were locals that possibly became defunct and had some property or some assets on hand which, under your constitution, became the property of the international union. This money was kept, as you state, in a little box, and there is no record of what was put into the box, what was taken out, or to whom it was disbursed.

Your procedure of keeping the union money in a box in your office with no accounting to the union, it seems to the chairman, at least, is highly improper.

Part of the money from the \$30,000 convention fund in 1955 can be and has been traced to your bank account. Again, there are no records showing how you handled that transaction, if the money ever got back into the union.

You made arrangements, obviously, to stack the convention in 1955 to insure your own election, without the union members knowing about it.

You withdrew a check for \$130,000, which was to be used by you to insure control of the union.

These things I am referring to here are actions that at least raise question marks about whether it is proper practice. I doubt it is.

You made arrangements to sell the union building to a man, Spiros Kallas, with whom you were formerly associated in a real estate business, and with whom, at that time, you were contemplating and did enter into another business, and sold the building for \$80,000, the union taking a second mortgage, which, according to your testimony, would normally sell for 60 cents on the dollar. Within 6 weeks Kallas sold this same building to another concern for \$115,000, and I believe within another month thereafter or 2 months thereafter, the building again sold for \$125,000.

Within several months of this transaction, over a period of several months of this transaction, you received checks amounting to some \$25,000 from Kallas. You testify those were for some other investment, some business purpose, and had no relation to the building.

In collusion with the then president of the union, Earl Heaton, you received or were promised \$80,000 of union funds to withdraw from the union. On that, I believe you testified you received \$25,000, and a pension policy, annuity, that you say now is worth at least \$40,000.

It is very questionable in my mind that union officials have any authority to just take money out of the treasury and buy each other out of office or out of business. I don't think union dues are paid for that purpose. I think that is a misuse of the funds. Certainly the men who paid the money into the union were given no voice or opportunity, in fact, to oppose such a transaction. I think it is clearly an improper use of union funds.

I do not believe the laboring people in this country who belong to unions, who pay dues, should be regarded as chattels just to be traded around among union leaders and sometimes among union racketeers. I think it is a highly improper practice.

(At this point Senator Curtis entered the hearing room.)

The CHAIRMAN. In view of these conclusions that I have come to as chairman, and in view of the nature of your testimony, I have decided, with the consent of the committee, that it is the appropriate and proper thing for this committee to do, to send the transcript of your testimony, and other testimony that may be in conflict with it, to the Justice Department.

In view of the nature of these transactions, I think there may be not only an opportunity for the Department to function with respect to taking some criminal action, but also it may very well examine this testimony with a view of determining who has committed perjury before this committee.

The Internal Revenue is keeping track of everything we are doing here in that respect, and they may want to pay you a visit too.

Is there anything further?

By the way, Mr. Doria, have you complied with the subpoena with reference to—

Mr. DORIA. I have given you all of the records that I have in my possession here with me; yes.

The CHAIRMAN. Do you state that under oath, that you have no others under your possession, direction or control, other than those that you have already delivered to the committee?

Mr. DORIA. That is all I have. You have all of my records now, and I would like to have them returned, too, because it is all that I have.

The CHAIRMAN. We will check on the return of them. They may be returned just as soon as copies are made.

Mr. DORIA. Can you arrange to have copies made so I can have them? It is the only records that I have.

The CHAIRMAN. I want you to pay attention to the question that I asked you. Not only records that you have that may be in your physical possession, but records as called for in the subpoena that may be under your direction or control, where you can require them to be submitted to the committee or procure them for the committee.

This refers to: Produce all books and records, bank accounts, canceled checks, check stubs, bank statements, deposit slips, memoranda and related documents, including all personal bank accounts, ledger sheets and canceled checks, for any and all businesses, joint ventures, corporations in which you have or have had any interest, from the period January 1, 1950, to the present.

Mr. DORIA. You are are talking about records under my control. The bank account records, my personal records, I have already given to investigators from your committee, and they have returned them.

Do you want those back again?

The CHAIRMAN. Well, I believe they were incomplete. Is that correct?

Mr. DORIA. Well, I gave them everything that I had.

The CHAIRMAN. You don't have any others?

Mr. DORIA. I don't have any others other than what I gave to them, but I can return those if you want them. You are welcome to them.

The CHAIRMAN. Do you need them?

Mr. KENNEDY. Yes. We want everything.

Mr. DORIA. I will be glad to send you my personal canceled checks, if you want them.

The CHAIRMAN. Comply, within your ability, with the subpoena.

Mr. DORIA. Okay.

May I make a comment with respect to what you stated, Mr. Chairman?

The CHAIRMAN. You may make a brief statement. But be brief.

Mr. DORIA. I will be very brief about it.

I just again, in summary, want to cover these points: That John Dio was not brought into the labor movement by me. He came into the labor movement—

The CHAIRMAN. You have given testimony with respect to that. These are the Chair's conclusions. If you want to make a brief statement, the Chair will listen to you. But I will not continue for an hour or two. I said this for the record and for your benefit in your presence, so you might know of the action that the Chair and the committee is going to take.

Mr. DORIA. Since yours is in summary, Mr. Chairman, my only point was that I would like to also summarize the very issues that you talked about and restate my position in summary. That is all. If I may do it, I will proceed. If you do not wish me to, we will adjourn.

The CHAIRMAN. You have stated your position with sworn testimony all the way through.

Mr. DORIA. I know, but there is no summary with respect to my position on all of these statements that you made in your summary.

The CHAIRMAN. To be absolutely sure that I am fair with you, I will let you do it.

Mr. DORIA. You may time me.

The CHAIRMAN. You will not use any more time than the Chair used.

Mr. DORIA. How much time have I?

The CHAIRMAN. Five minutes.

Mr. DORIA. The next thing is with respect to the payment of \$16,000.

I did not participate in that until the deal was completed. I merely signed the check as an officer under the authority of the board, since the deal had been completed.

The Dio operation into the teamsters, as I stated before, is still conclusively on the basis of the fact that to my knowledge, at all times, Dio was to remain with our organization.

That there is no accounting for defunct locals, I have given you a record, and I would like the record to clearly indicate that I have all the entries with proper chargeoffs to all the proper accounts as approved by the president and that this is in your possession as part of the journal entries that I suggested for closing out the accounts. It isn't a case of not having a report. The only thing that was lacking was the detail with respect to it.

The stacking of the convention was a purely legitimate procedure that was under the constitution, and there was no stacking of the convention. The convention, in fact, was never stacked.

The \$130,000 check was with the permission and knowledge of the majority of the board, and was taken out only for the purpose of stopping the possible holding up of funds so that the convention might continue and the union operate.

On the selling of the union building, I offered to withdraw from that in order to give the union \$18,000 more than it had. The second mortgage to the union was not discounted 60 percent. We got practically everything out of it, with the interest included.

The union building in Beverly Hills appreciated by \$65,000 while the union building in Milwaukee appreciated by less. There was a distinct profit, not a loss, to the international union.

The checks from Kallas were not pertaining to the union.

The collusion with Heaton I deny emphatically and completely. There was no collusion. There was a suit. The \$80,000 settlement was made with Heaton, Gilbert Jewel, the secretary, and two of their attorneys.

That the policy I hold is worth \$40,000, I again would like to point out that if a bank will establish that value, I will be very happy to sell it.

There was no buying out of any officers that I know of, and particularly I do want to say with respect to me, regardless of what other transactions might have been involving others, there was no buying out. I had the opportunity to be bought out. I refused it and preferred to sue.

With respect to Internal Revenue, I might report to the committee that I have been under constant investigation, to my knowledge, for the last 8 years. I have clearance on my income-tax reports through and including the year 1953 from the Internal Revenue Department.

That is all I will say, Mr. Chairman.

Did I do it within the 5 minutes?

The CHAIRMAN. You will remain under subpena and will be placed under recognizance to reappear at such time as the committee may desire further testimony from you. If you acknowledge that, that you will appear on reasonable notice——

Mr. DORIA. Mr. Chairman, I will reappear before this committee upon reasonable notice at any time.

The CHAIRMAN. Thank you very much. You may stand aside.

I am reminded that the Chair forgot to mention about the accounts getting all messed up when you prepared your own. The record will show about that.

Mr. KENNEDY. The \$8,000 that was charged to the union on the remodeling of Mr. Doria's home.

The CHAIRMAN. All right. You may stand aside.

Call the next witness.

(Members present at this point in the proceedings were: Senators McClellan, Goldwater, and Curtis.)

Mr. KENNEDY. The next witness is Mrs. Warschauer.

The CHAIRMAN. Will you be sworn, please.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mrs. WARSCHAUER. I do.

TESTIMONY OF MILDRED WARSCHAUER

The CHAIRMAN. Would you please state your name, your place of residence, and your business or occupation?

Mrs. WARSCHAUER. Mildred Warschauer, 2403 Creston Avenue, New York City, bookkeeper-secretary for the Local 269, IBT, AFL-CIO.

The CHAIRMAN. Local 269?

Mrs. WARSCHAUER. Warehouse and Processing Employees Union.

The CHAIRMAN. Thank you.

You know, of course, you have the right to counsel to advise you while you testify with respect to your legal rights?

Mrs. WARSCHAUER. I do.

The CHAIRMAN. Do you waive counsel?

Mrs. WARSCHAUER. Yes.

The CHAIRMAN. Mr. Kennedy, you may proceed.

Mr. KENNEDY. Mr. Chairman, with this witness, we get back into the UAW locals and the official transfer over into the teamsters. We felt that there is evidence to show that this was a last-minute transaction, that it was conducted by 1 or 2 or 3 different individuals, first at the request of Mr. James Hoffa and that it was conducted out of local 649, which was Johnny Dio's local, and that it was conducted, this whole operation was done, by 2 or 3 of his lieutenants.

Mildred Warschauer has been requested to come down here and testify regarding whatever information she has about the operation of 649 and the operation that took place during the time that these paper local charters were requested from the international.

The CHAIRMAN. Proceed.

Mr. KENNEDY. You are here under subpena, are you not, Mrs. Warschauer?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. You worked in local 649?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. What was the address of that when you were there?

Mrs. WARSCHAUER. 577 Ninth Avenue.

Mr. KENNEDY. And you were there from 1954?

Mrs. WARSCHAUER. May 1954.

Mr. KENNEDY. And you are still there now?

Mrs. WARSCHAUER. I am still with the union.

Mr. KENNEDY. Well, 649 became——

Mrs. WARSCHAUER. 269.

Mr. KENNEDY. Of the teamsters?

Mrs. WARSCHAUER. That is right.

Mr. KENNEDY. So although you were with 649 of the UAW-AFL, you are now with 269 of the teamsters?

Mrs. WARSCHAUER. That is right.

Mr. KENNEDY. While you were there, who was in charge of the operation, when you first came in there?

Mrs. WARSCHAUER. Mr. John Dioguardi.

Mr. KENNEDY. Johnny Dio. Then was he, for a few months during the first year, sent to jail for failure to pay income tax?

Mrs. WARSCHAUER. Well, the first month I was there, he was not in the office. I understood he was in jail for tax evasion.

Mr. KENNEDY. He came back, did he?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. Did he have charge of the operation in New York?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. Of the various locals in New York?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. And the operations were conducted out of local 649?

Mrs. WARSCHAUER. That is right.

Mr. KENNEDY. Ultimately, he ostensibly resigned from the local union in October, I believe, in 1954?

Mrs. WARSCHAUER. I don't remember the date. But it was sometime in the fall.

Mr. KENNEDY. Of 1954?

Mrs. WARSCHAUER. 1954.

Mr. KENNEDY. Mr. Chairman, we have had some information and evidence that Mr. Dio maintained a strong control over these locals even after he got out. That evidence and information came from the testimony of Mr. Doria.

Mrs. Warschauer, I would like to ask you this: After Mr. Dio ostensibly withdrew in 1954, on the letters that were sent from the international to the local union, were copies sent to Johnny Dio?

Mrs. WARSCHAUER. It was so noted on the bottom of the letters.

Mr. KENNEDY. It was so noted on the bottom of the letters?

Mrs. WARSCHAUER. Yes, after the stenographer's letters.

Mr. KENNEDY. The letters that came to local 649 from the international had copies sent to Johnny Dio?

Mrs. WARSCHAUER. I would not say all of them, but some of them, a good proportion.

Mr. KENNEDY. A good proportion of them had copies sent to Johnny Dio?

Mrs. WARSCHAUER. That is right.

Mr. KENNEDY. Now, coming up to the time that these paper locals, so-called paper locals, were chartered, you were in local 649 at the time?

Mrs. WARSCHAUER. Yes.

(At this point, Senator Goldwater withdrew from the hearing room.)

The CHAIRMAN. The Chair would like to make one observation. I received a wire, though I do not have it with me now, and I do not recall the name of the union, but it was obviously an international union in which they requested that we refer to these locals as phoney locals or use some other term to describe them rather than paper locals, because they were afraid that the public was getting confused and was identifying paper locals as locals representing the union men in the paper industry.

There is no such implication. If anyone has been under that impression, it is an erroneous impression. We will try to refer to them hereafter as phony locals or something else.

If we do slip and say, "paper locals," it is no reflection upon that international union or any of its members that wired about it.

Proceed.

Mr. KENNEDY. These teamster locals that came into existence at the end of 1955, did you have some correspondence in connection with them? Were some letters dictated to you in connection with those locals?

Mrs. WARSCHAUER. There were letters given to me.

Mr. KENNEDY. And were those letters addressed to joint council 16?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. And were they letters that requested the seating of certain officers of these locals?

Mrs. WARSCHAUER. Yes.

The CHAIRMAN. The Chair hands you what purports to be three original letters, two dated November 29. They are all addressed to joint council 16. The other is dated December 1, 1955. They are all in the year 1955.

They are all addressed to the joint council. One of them is signed by Harry Davidoff, secretary-treasurer. Another is signed by Joseph Curcio, secretary-treasurer, and another signed Nathan Gordon, secretary-treasurer.

These appear to be written upon the stationery of local 258, warehouse and Processing Employees, Local 269, and Local 651, all of them being locals of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America.

Will you please examine the three letters and state if you recognize them and if you wrote the letters or if those letters were dictated to you?

(The documents were handed to the witness.)

Mrs. WARSCHAUER. Yes.

The CHAIRMAN. Those letters may be made exhibit No. 100-A, B, and C.

(The documents referred to were marked "Exhibits Nos. 100-A, 100-B and 100-C" for reference and will be found in the appendix on pp. 4492-4494.)

Senator CURTIS. Who dictated them to you?

Mrs. WARSCHAUER. Well, Mr. Davidoff gave me the stationery and told me to write it and gave me the list of names. Mr. Curcio gave me the other one with his signature. I do not recall whether Mr. Davidoff or Mr. Curcio gave me the one with Mr. Nathan Gordon's signature. I don't know.

The CHAIRMAN. You do not know, but one of them did?

Mrs. WARSCHAUER. One of them did, but I don't know which.

The CHAIRMAN. Thank you.

Mr. KENNEDY. Going back, the stationery for all these various locals, 651, 258, 269 and 362, the 4 of them, that stationery had come to the office of local 649?

Mrs. WARSCHAUER. Yes, it came to the office. It was put into the private offices. It was not kept outside.

Mr. KENNEDY. In whose private office?

Mrs. WARSCHAUER. Mr. Curcio's and Davidoff's.

Mr. KENNEDY. This stationery of these various teamster locals had been ordered and arrived in the office of local 649?

Mrs. WARSCHAUER. That is right.

Mr. KENNEDY. At the time these letters were being written requesting seating in the joint council 16, what arrangements were made for giving the stationery out? How was it arranged?

Mrs. WARSCHAUER. We were given just enough stationery to write as many letters as were given to us.

Mr. KENNEDY. There was another girl besides yourself?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. You had three letters to write?

Mrs. WARSCHAUER. I may have had three. I may have had more. I don't recall.

Mr. KENNEDY. The initials at the bottom of this letter, for instance, of 258 is, "M. W.", is that you?

Mrs. WARSCHAUER. That is mine. All of those are mine.

Mr. KENNEDY. And then M. W. for local 269, Mr. Chairman, and M. W. for local 651.

The signature for local 651, the signature of Nathan Gordon, was actually written by either Joseph Curcio or Harry Davidoff?

Mrs. WARSCHAUER. I wouldn't know. It was not written in my presence, I don't think.

(At this point, Senator Ervin entered the hearing room.)

The CHAIRMAN. I hand you another letter, a similar letter, signed by Abe Brier as secretary-treasurer of local 362. This letter is dated December 1, 1955. Will you examine it and state if you identify it?

(A document was handed to the witness.)

Mrs. WARSCHAUER. I identify it, but it was not written by me. It was not typed by me.

The CHAIRMAN. It was not typed by you?

Mrs. WARSCHAUER. No.

The CHAIRMAN. Was it typed by the other lady in the office?

Mrs. WARSCHAUER. Yes.

The CHAIRMAN. Thank you.

That may be made exhibit 101.

(The document referred to was marked "Exhibit No. 101" for reference and will be found in the appendix on p. 4495.)

Mr. KENNEDY. Those letters were all dictated and typed out of local 649?

Mrs. WARSCHAUER. That is right.

Mr. KENNEDY. I notice that the language in each one of the letters is slightly different.

Mrs. WARSCHAUER. It was written out on a piece of paper and given to us.

Mr. KENNEDY. Were you given any instructions about the language in the letters?

Mrs. WARSCHAUER. I believe we were told to change it a little bit on it.

Mr. KENNEDY. On each letter, the language requesting seating should be changed?

Mrs. WARSCHAUER. Slightly.

The CHAIRMAN. Were these letters mailed or did they go through the mail?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. Subsequently, in January 1956, was there another letter written on the stationery of 269 which was dictated to you?

Mrs. WARSCHAUER. Well, I don't know. I guess there were other letters written in 1956 on that stationery.

The CHAIRMAN. I hand you another letter dated January 26, 1956, a letter addressed to Mr. Dave Beck and it seems to be signed by five different people.

I will ask you to examine this letter and state if you identify it, and whether you wrote the letter or had any connection with it.

(A document was handed to the witness.)

Mrs. WARSCHAUER. This letter was dictated to me.

The CHAIRMAN. I beg your pardon?

Mrs. WARSCHAUER. This letter was dictated to me and typed by me.

The CHAIRMAN. So you recognize the letter?

Mrs. WARSCHAUER. That is right.

The CHAIRMAN. That will be made exhibit 102.

(The document referred to was marked "Exhibit No. 102" for reference and will be found in the appendix on pp. 4496-4497.)

The CHAIRMAN. Will you read the names of the signatures on the letter, please?

Mrs. WARSCHAUER. Harry Davidoff, Joseph Curcio, Harry Reiss, Abraham Brier, and Nathan Gordon.

The CHAIRMAN. May I ask if you recognize their signatures?

Mrs. WARSCHAUER. I think Mr. Davidoff's signature, Joseph Curcio and Abraham Brier. The others I am not acquainted with.

The CHAIRMAN. You recognize the three?

Mrs. WARSCHAUER. Yes.

The CHAIRMAN. Thank you.

Mr. KENNEDY. This is dated January 27, 1956, on the stationery of local 269, which is one of these paper locals, and it is written to Dave Beck. It says:

DEAR SIR AND BROTHER: The following letter is being written to you in behalf of local 258—

a paper local—

269, 284, 362, and 651—

which are the five paper locals that came out of the Dio group.

It is a letter for an appeal, in substance—an appeal that these locals should be seated in the joint council.

It is signed, as Mrs. Warschauer has pointed out, by Davidoff, Curcio, Reiss, Brier, and Gordon, the chief officers in these locals.

I would like to ask you, Mrs. Warschauer, who dictated this letter to you?

Mrs. WARSCHAUER. I believe it was John McNamara.

Mr. KENNEDY. John McNamara?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. Do you know who John McNamara was at that time?

Mrs. WARSCHAUER. I think he was head of local——

Mr. KENNEDY. He was connected with local 808 of the teamsters?

Mrs. WARSCHAUER. 808; 808 is the number.

Mr. KENNEDY. Do you know what his relationship with Jimmy Hoffa was at that time?

Mrs. WARSCHAUER. No.

Mr. KENNEDY. Do you know that he was known as Jimmy Hoffa's representative in New York?

Mrs. WARSCHAUER. No.

Mr. KENNEDY. But he dictated this letter to you?

Mrs. WARSCHAUER. Yes, he did.

Mr. KENNEDY. I would like to have you identify this letter.

The CHAIRMAN. The Chair hands you another letter dated January 27, 1956, addressed to Mr. Dave Beck, signed "John McNamara, secretary-treasurer of Local Union 295."

Would you examine that letter and state if you identify it, please?

(The document was handed to the witness.)

(At this point, Senator Goldwater withdrew from the hearing room.)

(Present at this point were Senators McClellan, Curtis, and Ervin.)

Mrs. WARSCHAUER. I identify it.

The CHAIRMAN. Did you write the letter?

Mrs. WARSCHAUER. It was dictated to me and I typed it.

The CHAIRMAN. You typed it?

Mrs. WARSCHAUER. Yes.

The CHAIRMAN. That letter may be made exhibit 103.

(The document referred to was marked "Exhibit No. 103" for reference and will be found in the appendix on pp. 4498-4499.)

The CHAIRMAN. Will you state who signed that letter?

Mrs. WARSCHAUER. John McNamara.

The CHAIRMAN. Did he dictate the letter to you?

Mrs. WARSCHAUER. Yes.

The CHAIRMAN. Thank you.

Mr. KENNEDY. Did he dictate this letter from notes?

Mrs. WARSCHAUER. He had notes.

Mr. KENNEDY. Mr. Chairman, once again this is a letter dictated the same date, January 27, 1956, requesting an appeal to Dave Beck that the officers from local 295, which is the top local up there on the chart, which came out of John McNamara's union, 808—it is an appeal that they be seated in the joint council 16.

I would like to ask you this: Were these dictated at the same time?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. Both dated the same day? They were both dictated to you and both dictated by the same person?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. I notice one of them is with black ribbon and the other one is blue ribbon.

Mrs. WARSCHAUER. Yes. At that time we had 1 typewriter with black and 1 was blue. I was instructed to write those letters on the respective typewriters.

Mr. KENNEDY. You were instructed to type them on different typewriters?

Mrs. WARSCHAUER. That is right.

Mr. KENNEDY. Did you know what the reason was?

Mrs. WARSCHAUER. No reason was given. I was just told to do that.

Mr. KENNEDY. You were in 649 at that time, local 649. Did local 269, which operated out of the same headquarters, have any shops or members of that union?

Mrs. WARSCHAUER. Not at that time.

Mr. KENNEDY. Subsequently, were the members of shops of 649 transferred to 269?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. Was there any election held or anything more than notification to the employees that they were being transferred?

Mrs. WARSCHAUER. I believe they had a general membership meeting.

Mr. KENNEDY. What were they told then?

Mrs. WARSCHAUER. I was not at the meeting, but from what I can recall from the minutes, they were told that these shops came under the jurisdiction of the teamsters, and for that reason they were being transferred over to that local.

Mr. KENNEDY. They were being transferred over to local 269 of the teamsters?

Mrs. WARSCHAUER. That is right.

The CHAIRMAN. Did I understand you to say that at the time these letters were written to Mr. Beck, there were no members in that local?

Mrs. WARSCHAUER. I had no books showing members.

The CHAIRMAN. I beg your pardon?

Mrs. WARSCHAUER. I had no books showing members.

The CHAIRMAN. You had no record showing members?

Mrs. WARSCHAUER. That is right.

The CHAIRMAN. But subsequently some were transferred, some shops were transferred from another legitimate union into this?

Mrs. WARSCHAUER. From 649 into 269.

Mr. KENNEDY. When was that done, approximately?

Mrs. WARSCHAUER. I believe around July 1956.

Mr. KENNEDY. So from the period of November 8, 1955, which is the date on the charter application, or at least from January, when you wrote the first letter that they be seated, from that date until July of 1956, local 269 had no members?

Mrs. WARSCHAUER. I had no record of any members.

Mr. KENNEDY. And you kept the records?

Mrs. WARSCHAUER. Yes.

Mr. KENNEDY. Could you just tell the committee what salary was Joe Curcio receiving from 649, or these various officers? What salary

for instance, was he receiving? Do you remember that approximately?

Mrs. WARSCHAUER. I think in 1956 he was receiving \$225.

The CHAIRMAN. A week?

Mrs. WARSCHAUER. A week.

Mr. KENNEDY. Do you remember what George Baker was receiving?

Mrs. WARSCHAUER. \$125.

Mr. KENNEDY. Excuse me?

Mrs. WARSCHAUER. \$125.

Mr. KENNEDY. It never went as high as \$200 for George Baker?

Mrs. WARSCHAUER. What period are you speaking of, Mr. Kennedy?

Mr. KENNEDY. What about during 1957? What has it been then?

Mrs. WARSCHAUER. Mr. Curcio's went up to \$300. It is now \$200. Mr. Baker's went up to \$290. It is now \$190.

Mr. KENNEDY. So they have gone back and forth?

Mrs. WARSCHAUER. Right.

Mr. KENNEDY. The highest they have been is, Joe Curcio and Davidoff about \$300, and they have been down as low as \$190?

Mrs. WARSCHAUER. That's right.

Mr. KENNEDY. That is per week?

Mrs. WARSCHAUER. Per week.

Mr. KENNEDY. Through what period of time did Dio continue to receive copies of the letters that were sent from the international to this local and when Joe Curcio was in charge of the region? Did that continue through 1956?

Mrs. WARSCHAUER. I believe there was some correspondence in 1956.

Mr. KENNEDY. Mr. Chairman, we have had the correspondence from 1955 and we understand it went through 1956.

That is all.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. After Dioguardi resigned, did he ever show up around the union headquarters where you worked?

Mrs. WARSCHAUER. He came up, I believe, once or twice to take out his personal papers, and he came up once or twice when we moved to 1780 Broadway.

Senator CURTIS. Did he ever telephone?

Mrs. WARSCHAUER. I believe on one occasion he made a telephone call.

Senator CURTIS. No. I mean did he ever call into the union headquarters from outside?

Mrs. WARSCHAUER. He may have, but he never left a name.

Senator CURTIS. Did anyone there ever communicate with him by telephone?

Mrs. WARSCHAUER. Not that I know of.

Senator CURTIS. His name was mentioned once in a while around there?

Mrs. WARSCHAUER. It was mentioned as John, that's all.

Senator CURTIS. By the men who were running the union and making the plans and so on, they would occasionally mention him?

Mrs. WARSCHAUER. It was a friend of Mr. Curcio's.

Senator CURTIS. Did they mention him in anything about the management of unions?

Mrs. WARSCHAUER. No, not to me.

The CHAIRMAN. Is there anything further?

If not, thank you very much. You may be excused.

Mr. KENNEDY. Thank you very much.

The CHAIRMAN. The committee will stand in recess until 10 o'clock tomorrow morning.

(Whereupon, at 4:20 p. m., the hearing in the above-entitled matter was recessed, to reconvene at 10 a. m., on the following day.)

(Members of the select committee present at the taking of the recess were Senators McClellan, Ervin, and Curtis.)

APPENDIX

EXHIBIT No. 42

AFFILIATED WITH
AMERICAN
FEDERATION
OF LABOR



WAREHOUSE AND PROCESSING EMPLOYEES UNION LOCAL 269

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America

1780 BROADWAY

NEW YORK 19 N. Y.

PLAZA 7 6180

November 29th, 1955.

Joint Council #16
Martin T. Lacey, President
265 West 14th Street
New York, N. Y.

Dear Sir & Brother:

We are submitting the names and titles of the officers of our Local Union #269, and respectfully request these same names be seated as delegates to Joint Council #16:

Armando Simontacchi	President
Basil Koschel	Vice-President
Joseph Curcio	Secy. Treas.
Philip Kazansky	Recording Secy.
Frank Easton	Trustee
John Korsizor	"
Rosario Catalano	"

Fraternally yours,

Joseph Curcio
Joseph Curcio, Secy. Treas.

JC:DM

EXHIBIT No. 43

AFFILIATED WITH
AMERICAN
FEDERATION
OF LABOR



WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 269

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America

1780 BROADWAY

NEW YORK 19, N. Y.

PLAZA 7-6180

February 2nd, 1956.

Joint Council #16, I. B. of T.
265 West 14th Street
New York 11, N. Y.

Dear Sir & Brother:

This will certify that the bearer Baron E. S. F.
is an Executive Board member of our Local Union #269, and is eligi-
ble to vote in the Joint Council election.

Fraternally yours,

Joseph Curcio
Joseph Curcio, Secy. Treas.

EXHIBIT No. 45



AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR

AMALGAMATED UNION LOCAL 649

OFFICE

130 WEST 42ND STREET

NEW YORK 36. N. Y.

542

TELEPHONE

BRYANT 9-0394

EXHIBIT No. 47



APPLICATION FOR CHARTER

IN THE

International Brotherhood of Teamsters, Chauffeurs,
Warehousemen and Helpers of America

HEADQUARTERS

100 Indiana Ave., N. W. Washington 1, D. C.

JOHN F. ENGLISH, General Secretary-Treasurer

City NEW YORK

Date NOVEMBER 3, 1955

We, the undersigned Wage-Workers, believing it to be well calculated to improve our economic and social condition and promote our industrial well being and advancement, respectfully petition the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America to grant a Charter to us as representatives of:

Proposed Name of Organization Warehouse and Processors

Name should include type of craft and workers to be covered

Jurisdiction Greater New York Area, NEW YORK

City or Cities

State

Business Address 10 Park Ave.

Street

Anticipated number of members in Local Union

Business Phone No.

We hereby pledge ourselves, individually and collectively, to be governed by the Constitution, Rules and Usages of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, with the reserved right to preserve the autonomy or self-government of our own organization, subject to the rules and regulations as may be made, or are now established in our organization as above named.

Name of Organizer _____ Address _____

Name of President _____ Address _____

Name of Secretary-Treasurer Harry Davidoff _____ Address _____

NAMES OF APPLICANTS

ADDRESS

1 George Snyder _____

2 Clarence Clarke _____

3 James K. L. _____

4 Joseph Lovelock _____

5 Neil Lebin _____

6 John Vittas _____

7 _____

8 _____

(PLEASE TYPE OR PRINT LEGIBLY NAMES OF APPLICANTS)

Use additional sheets when necessary. Send names of all charter members with this application.

05 EN

EXHIBIT No. 49

APPLICATION FOR CHARTER
IN THEInternational Brotherhood of Teamsters, Chauffeurs,
Warehousemen and Helpers of America

HEADQUARTERS

100 Indiana Ave. N. W. Washington 1 D. C.

JOHN F. ENGLISH, General Secretary-Treasurer

Charter dated
November 3, 1955
in sent by

Rec'd 11/15/55
in sent to 11/16/55

City New York, New YorkDate 11/15/55

We, the undersigned Wage Workers, belonging to the following units, do hereby petition the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America to grant a Charter to us as representatives of

Proposed Name of Organization Local 1111

Name should include type of craft and workers to be covered

Jurisdiction Local 1111, New York, New YorkBusiness Address 111 W. 111th St. New York, N.Y.Anticipated number of members in Local Union 111Business Phone No. 111-1111

We hereby pledge ourselves, individually and collectively, to be governed by the Constitution, Rules and Usages of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, with the reserved right to preserve the autonomy or self-government of our own organization, subject to such rules and regulations as may be made, or are now established in our organization as above named.

Name of Organizer Harrie T. Brown Address 111 W. 111th St. New York, N.Y.Name of President Harrie T. Brown Address 111 W. 111th St. New York, N.Y.Name of Secretary-Treasurer Harrie T. Brown Address 111 W. 111th St. New York, N.Y.

NAMES OF APPLICANTS

ADDRESSES

1 Harrie T. Brown2 Harrie T. Brown3 Harrie T. Brown4 Harrie T. Brown5 Harrie T. Brown6 Harrie T. Brown

PLEASE TYPE OR PRINT LEGIBLY NAMES OF APPLICANTS

Use additional sheets when necessary. Send names of all charter members with this application.

(OVER)

EXHIBIT No. 50



Official Application

For

CHARTER OF AFFILIATION

Under the Jurisdiction of International Union
United Automobile Workers of America

Affiliated with the American Federation of Labor

19

TO THE GENERAL EXECUTIVE BOARD, INTERNATIONAL
UNION, UNITED AUTOMOBILE WORKERS OF AMERICA —
GREETINGS:

We herewith make formal application for a Local Union Charter of Affiliation in the International Union, United Automobile Workers of America, to be issued and numbered under the adopted laws of the International Union.

Nature of Work Done

NO STAMPS SENT

CHARTER WRITTEN, M C NOV. 3 1953

Name of Firm..

Address

Number of Employees

We request that the following list of eighteen (18) members be inscribed upon the Charter

PRINT PLAINLY

JAMES McNEELY
ANGELO MEL
ALFRED PETROZZA
FRANK VIRGILIO
DOMINICK SANTA MARIA
EDNA PIGNINI
ALEX FEIN
ANGELO BANAMASSA
ALEX ZATAWESKY

ANGELO RUBINO
CHARLES PARRIN
NICHOLAS PASSARIELLO
ARTHUR HUMARES
ORLANDO H. UMBERTO
HAROLD ISALDWIN
DAVID S. HALL
PAUL BROGAN
ABRAHAM MILLER

Fraternally submitted,



Approved

International Representative

Regional Director

Form A 77

EXHIBIT No. 51

APPLICATION FOR CHARTER
IN THEInternational Brotherhood of Teamsters, Chauffeurs,
Warehousemen and Helpers of America

HEADQUARTERS

100 Indiana Ave., N. W. Washington 1, D. C.

JOHN F. ENGLISH, General Secretary-Treasurer

City New York, New YorkDate October 1, 1955

We, the undersigned Workers, believing it to be well calculated to improve our economic and social conditions and promote our industrial well being and advancement, respectfully petition the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America to grant a Charter to us.

Name of organization LOCAL 1000 and address: _____
Name should include type of craft and workers to be covered.

City New York, New York State New York

Business Address _____ Street _____ City and State _____

Anticipated number of members in Local Union _____ Business Phone No. _____

We hereby pledge ourselves, individually and collectively, to be governed by the Constitution, Rules and Usages of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, with the reserved right to preserve the autonomy or self-government of our own organization, subject to such rules and regulations as may be made, or are now established in our organization as above named.

Name of Organizer _____ Address _____

Name of President _____ Address _____

Name of Secretary-Treasurer _____ Address _____

NAMES OF APPLICANTS

ADDRESSES

Mr. J. J. J.

1000 1st St.

New York, N.Y.

New York, N.Y.

New York, N.Y.

New York, N.Y.

PLEASE TYPE OR PRINT LEGIBLY NAMES OF APPLICANTS

Use additional sheets when necessary. Send names of all charter members with this application.

(OVER)

EXHIBIT No. 52

WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 281

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America
241 238 STREET NEW YORK 10, N. Y. PHONE 4-7077



NOVEMBER 27TH, 1955

INTERNATIONAL BROTHERHOOD OF TEAMSTERS
241 238 STREET
NEW YORK 10, N. Y.

DEAR MR. [REDACTED]:

I would like to know who you would find the names of the
people who are in the union and the names of the
people who are not in the union.

MARY [REDACTED]	JOHN [REDACTED] SECRETARY-TREASURER
DAVE [REDACTED]	JOHN [REDACTED]
JOHN [REDACTED]	V. L. [REDACTED] PRESIDENT
M. [REDACTED]	JOHN [REDACTED] SECRETARY
V. [REDACTED]	JOHN [REDACTED]
JOHN [REDACTED]	JOHN [REDACTED]
JOHN [REDACTED]	JOHN [REDACTED]

Very truly yours,
[REDACTED]

JOHN [REDACTED]

JOHN [REDACTED]

EXHIBIT No. 53

AFFILIATED WITH
AMERICAN
FEDERATION
OF LABOR



WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 284

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America

24 E. 23RD STREET

NEW YORK 10 N. Y.

XXXXXXXXXXXX

February 2nd, 1950.

Joint Council No. 16
International Brotherhood of Teamsters
Chauffeurs, Warehousemen & Helpers of Amer.
265 West 14th Street - Room 709
New York 11, N. Y.

Dear Sir Brother:

This is in reply to your letter of January 10th,
1950. We give you below a listing of the officers of our Local
Union who are eligible to vote in the Joint Council election:

✓ David Cosentino	President
✓ Dominick Santalucia	Vice-President
✓ Harry Reiss	Secy. Treas.
✓ Milton Liden	Recording Secy.
✓ Vito Bochicchio	Trustee
✓ Fred Virgilio	Trustee
✓ Harold Culbert	Trustee

Fraternally yours,

Harry Reiss

Harry Reiss, Secy. Treas.

HRR:wm

*LA 1000
J. Santalucia*

EXHIBIT No. 54

AFFILIATED WITH
AMERICAN
FEDERATION
OF LABOR



WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 281

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America

24 E. 23RD STREET

NEW YORK 10, N. Y.

XXXXXXXXXX

AL 4-1040

February 2nd, 1936.

Joint Council #16, I. B. of T.
265 West 14th Street
New York 11, N. Y.

Dear Sir / Brother:

This will certify that the bearer Harry Weiss
is an Executive Board member of our Local Union #281, and is eligible
to vote in the Joint Council election.

Fraternally yours,

Harry Weiss
Harry Weiss, Secy. Treas.

EXHIBIT No. 54A



WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 284

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America

24 E 23rd STREET

NEW YORK 10 N. Y.

XXXXXXXXXX
AL 4-7040

February 2nd, 1940.

Joint Council #16, I. B. of T.
205 West 14th Street
New York 11, N. Y.

Dear Sir / Brother:

This will certify that the bearer David Casentini
is an Executive Board member of our Local Union #284, and is eligible
to vote in the Joint Council election.

Fraternally yours,

Harry Reiss
Harry Reiss, Secy. Treas.

EXHIBIT No. 55

March , 1956

Acoustical Research Associates Corp.
210 West 17th Street
New York, New York

Gentlemen:

You are hereby authorized to enter into negotiations on our behalf with such local Union designated as, or which claims to be the representative bargaining agent for our employees. This authorization as aforesaid, shall constitute you as our sole representative for such negotiations. In connection with all of such negotiations, you may hire, or designate any person or persons to act together with you, at a proper cost and expense, all of which shall be considered a part of the services to be rendered. In connection with the foregoing, we agree to be or have a number of our files available at all times for conferences with your representatives, or at such other place as may be indicated by you.

We agree to pay you for such services rendered by you, or to be rendered, irrespective of the final result of any written agreement as follows:

The sum of One Hundred Fifty (\$150.00) dollars on the first day of each and every month during the term of this agreement and continuation to us of monthly statements. Such payment of \$150.00 a month which we agree to pay you shall be a minimum payment to be applied against a payment equal to two (2%) per cent of our gross payroll which shall be paid to you on or before March 31, 1957, at which time we shall submit to you a certified statement setting forth our payroll for the period covered by this agreement, the amount due you, based upon Two (2%) per cent of said payroll, after deduction of the payments made to you each month as provided for herein. At the time that we submit the foregoing statement to you, we agree to accompany said statement with a check for the moneys due you pursuant to this agreement as indicated by said statement.

We agree to avail ourselves of your services for a period of One (1) year commencing April 1, 1956 and thereafter, from year to year, upon the same terms and conditions set forth herein, provided, however, that we shall have the right to terminate this agreement at the end of each year by notifying you in writ-

- 2 -

ing by registered mail to your office, thirty (30) days before the expiration of each year during the term of this agreement, that we do not intend to renew this agreement for a successive year.

In addition to the foregoing services to be rendered, you or your representative, shall, throughout the expressed term of this agreement, be available for consultations concerning any dispute that may arise by reason of, or growing out of any agreement negotiated by you. These services to be rendered by you shall not be construed to extend to re-negotiation of any agreements consummated and entered into by us, nor shall such services extend to any renewals or extension of said agreement.

The compensation payable to you as set forth herein, shall not include out-of-pocket disbursements for traveling, telephone and telegraph and other expenses or disbursements incurred by you or your representatives, except however, that we agree to make payment for such out-of-pocket disbursements, upon demand and upon the production of vouchers or statements with respect to and including any such expenditures.

This communication when signed by you at the place indicated by the word "ACCEPTED," shall constitute our entire agreement with respect to the matters set forth herein.

Very truly yours,

FLORIZED PRESENTATIONS INC.,
719-21 Main Street,
New Rochelle, New York

By: _____

ACCEPTED:

March , 1946

UNITA L. M. ARON ASSOCIATES CORP.

By: _____

EXHIBIT No. 60

Daniel Press Inc.

PRINTERS • ADVERTISING • PHOTOGRAPHY • STATIONERY

B 7598

19 WEST 38TH STREET • NEW YORK CITY 18, N. Y. • BRYANT 9-7093

SOLD TO Local 649

1780 Broadway

New York City

DATE Dec. 16, 1955

SALESMAN

YOUR ORDER NO

OUR ORDER NO B 1921

145

Strike signs printed on 2 sides in
red ink 5 lots

20	Local 355
50	Local 269
25	Local 258
25	Local 651
25	Local 362

139 00

S. T. — 4 05

139 05

DUPLICATE

EXHIBIT No. 61

AFFILIATED WITH
AMERICAN
FEDERATION
OF LABOUR



WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 362

International Brotherhood of Teamsters, Warehousemen & Helpers of America

119 WEST COLUMBIA STREET

HEMPSTEAD L.I.

EVANROSE 1-9112

February 29, 1956.

Joint Council #10, I. B. of T.
265 West 14th Street
New York 11, N. Y.

Dear Sir & Brother:

This will certify that the bearer ABRAHAM BRIER
is an Executive Board member of our Local Union #362, and is eligi-
ble to vote in the Joint Council election.

Fraternalty yours,

Abraham Brier, Secy. Treas.

AB/ko

EXHIBIT No. 62



**WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 651**

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America

18 W COLUMBIA STREET

WEST HEMPSTEAD L 1

IVANHOE 1 9112

November 29th, 1955.

Joint Council #16
Martin T. Lacey, President
265 West 14th Street
New York, N. Y.

Dear Sir & Brother:

We herewith submit the names and titles of the officers of Local Union #651, and request that same be seated as delegates to Joint Council #16.

Hyman Supnick	President
Frank Alongi	Vice-President
Nathan Gordon	Secy. Treas.
Joseph Magelino	Recording Secy.
Abe Hodes	Trustee
Joseph Monica	"
Nathan Rosen	"

Fraternally yours,

Nathan Gordon, Secy. Treas.

Attest:

EXHIBIT No. 63



WAREHOUSE AND PROCESSING EMPLOYEES UNION

100 A 1 651

119 W. COMMERCIAL STREET WEST LEMAY, MO.

February 10, 1964.

[illegible]

His gift will be for the Ave Hopes.

"I hope I'll never."

My dear Gordon

... ..

EXHIBIT No. 66

WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 362International Brotherhood of Teamsters, Warehousemen & Helpers of America
119 WEST COLUMBIA STREET HEMPSTEAD L I VANHOE 1-6112

AFFILIATED WITH

AMERICAN
FEDERATION
OF LABOR

February 26, 1956.

Joint Council - P. O. Box 7.
25 West 11th Street
New York 11, N. Y.

Dear Sir & Brother:

This is to certify that the bearer _____
 is an executive member of our local Union Local, and is eligible
 to vote in the Joint Council election.

Very truly yours,

A/ko

John J. Ryan, Sec. - Treas.



APPLICATION FOR CHARTER

12 THE FIFTH

International Brotherhood of Teamsters, Chauffeurs,
Warehousemen and Helpers of America

HEADQUARTERS

100 Indiana Ave N W Washington 1 D C

JOHN F. ENGLISH, General Secretary-Treasurer



8. 13. 1941

I am interested about when precisely someone is forced to make a choice with this application

EXHIBIT No. 67—Continued

WAREHOUSE AND PROCESSING LOCAL UNION
Greater New York Area - New York, N. Y.

Charter Dated November 4, 1968

3
- 3
X 4
- 4

EXHIBIT No. 67—Continued



INVOICE

S. 109, 114 & 115

INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS,
WAREHOUSEMEN AND HELPERS OF AMERICA25 Louisiana Avenue, N. W.
WASHINGTON 1, D. C.

DATE 11/29/55

LOCAL 651

Sold To Teamsters Local Union No. 1

ORDER NO

SHIPPED VIA

INTERNATIONAL

15.00

EXHIBIT No. 67—Continued

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers

CHARTER CONTRACT

Know all Men by these Presents

That I, TEAMSTERS 651
WEST
19 W COLUMBIA ST. HEMPSTEAD, L.I.

do hereby certify that the above named person or persons are duly authorized to represent me in all matters relating to the Charter Contract of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers, and that I have read and understand the same and agree to be bound by the same.

Witness my hand and seal this 1st day of January, 1944.
I, TEAMSTERS, do hereby certify that the above named person or persons are duly authorized to represent me in all matters relating to the Charter Contract of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers, and that I have read and understand the same and agree to be bound by the same.

Year

EXHIBIT No. 68

AFFILIATED WITH
AMERICAN
LABOR UNION



WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 651

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America

110 W. COLUMBIA STREET

XXXX HEMPSTEAD L. I.

EVANSTON ILL 1912

February 2nd, 1950.

Joint Local No. 10
International Brotherhood of Teamsters,
Chauffeurs, Warehousemen & Helpers of Amer.
245 West 11th Street - Room 700
New York 11, N.Y.

Dear Sirs:

I am writing you regarding the letter of January 17th,
1950, which was received from you. The letter stated that
you were interested in the possibility of having a
branch of the International Brotherhood of Teamsters,
Chauffeurs, Warehousemen & Helpers of America,
located in your area.

<input checked="" type="checkbox"/> Local 651	<input type="checkbox"/> Local 652
<input checked="" type="checkbox"/> Local 653	<input type="checkbox"/> Local 654
<input checked="" type="checkbox"/> Local 655	<input type="checkbox"/> Local 656
<input checked="" type="checkbox"/> Local 657	<input type="checkbox"/> Local 658
<input checked="" type="checkbox"/> Local 659	<input type="checkbox"/> Local 660
<input checked="" type="checkbox"/> Local 661	<input type="checkbox"/> Local 662
<input checked="" type="checkbox"/> Local 663	<input type="checkbox"/> Local 664
<input checked="" type="checkbox"/> Local 665	<input type="checkbox"/> Local 666
<input checked="" type="checkbox"/> Local 667	<input type="checkbox"/> Local 668
<input checked="" type="checkbox"/> Local 669	<input type="checkbox"/> Local 670

Sincerely,
J. Edgar Hoover

J. Edgar Hoover

W. H. R. R.

EXHIBIT No. 69

1

WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 651

International Brotherhood of Teamsters, Local 651, Warehouse and Processing Employees Union

119

AMERICAN

WORKERS

119



EXHIBIT No. 69, 119

RECEIVED BY THE
LOCAL 651
ON 11/11/11

RECEIVED BY THE

LOCAL 651 RECEIVED BY THE LOCAL 651 1/11/11 11/11/11

11/11/11 RECEIVED BY THE LOCAL 651 RECEIVED BY THE LOCAL 651
11/11/11 RECEIVED BY THE LOCAL 651 RECEIVED BY THE LOCAL 651

EXHIBIT No. 69, 119

1/11/11 RECEIVED BY THE LOCAL 651 RECEIVED BY THE LOCAL 651

EXHIBIT No. 69, 119

EXHIBIT No. 76

SETTLEMENT AGREEMENT AND RELEASE

Whereas, the International Union, Allied Industrial Workers of America, AFL-CIO, (hereinafter referred to as "International Union") is a duly chartered affiliate of the American Federation of Labor and Congress of Industrial Organizations, (hereinafter referred to as "AFL-CIO") and the general assembly and membership of the International Union derives numerous recognized benefits and organizational advantages by virtue of such AFL-CIO affiliation; and

Whereas, Anthony Doria (hereinafter referred to as "Doria") is a long time member in good standing of the International Union, and was the duly elected Secretary-Treasurer and Executive Board Member of the International Union for many years, before his resignation from both of said offices; and

Whereas, on February 5th, 1957, the AFL-CIO Executive Council unanimously ordered and directed the International Union to eliminate certain alleged corrupt influences and correct certain alleged abuses set forth in a Report of the Ethical Practices Committee, and in addition to eliminate certain persons from holding any position or office in either the International Union or any of its subordinate bodies within 90 days thereafter or stand suspended and face expulsion from the AFL-CIO; and

Whereas, it has been asserted that Doria has been responsible for or has tolerated such abuses and corrupt practices, all of which has been denied by Doria, who, although he has submitted his resignation as Secretary-Treasurer and Executive Board Member claims that the statements made against him are groundless, and that the same being defamatory, will permanently damage him in his character and reputation among Union members and the public; and

Whereas, under all the circumstances the International Union feels that it is required under the AFL-CIO Directive to arrange without delay for the complete, final, and irrevocable elimination of Doria from his office in the International Union, and from his position as a member of the International Union within 90 days from February 5th, 1957, in order to avoid the risk of threatened suspension or expulsion from the AFL-CIO, with resulting serious detriment to the standing and effectiveness of the International Union in its relations with other labor organizations, employers, and the public at large, and with the

-1-

EXHIBIT No. 76—Continued

accompanying loss of numerous advantages of AFL-CIO affiliation to the general membership of the International Union, and therefore said International Union has adopted and repeated the statements that have been made against the said Doria concerning his participation in said corrupt practices and abuses and has caused him to resign as Secretary-Treasurer and Executive Board Member; and

Whereas, said Doria has employed counsel and has threatened to file suit in the Superior Court of Los Angeles County, California, for \$1,000,000.00 damages, for slander and libel against AFL-CIO, the International Union, and others, which said suit has been prepared and is ready for filing; and

Whereas it is the desire of the parties hereto to forever settle all claims of the said Doria against the AFL-CIO, the International Union, all Local Unions or subordinate organizations, and any other person, company, corporation, or organization that might be liable for damages for slander, libel, or anything else relating to the said Doria, his activities, conduct, or resignation,

NOW THEREFORE, in consideration of the sum of Eighty Thousand (\$80,000.00) Dollars, Twenty-Five Thousand (\$25,000.00) Dollars of which has been paid upon the execution of this Release, receipt whereof is hereby acknowledged, and the remaining Fifty-Five Thousand (\$55,000.00) Dollars is to be paid in accordance with the terms of two promissory notes of even date, executed and delivered simultaneously herewith, the parties hereto agree that the resignations of the said Doria heretofore submitted shall be accepted and shall now be deemed to be final and irrevocable; and the said Doria hereby releases the AFL-CIO, the International Union, all subordinate Local Unions and organizations, and all other persons, corporations, and organizations that may or might be liable, of and from all liability and damages for or on account of any statement, inference, innuendo, libel or slander that may have been made or committed by anyone against or involving Doria, at any time up to the present,

2) Doria agrees to and does waive any and all rights, claims, privileges, benefits or damages (other than vested pension rights) which he now or hereafter may have by reason of his elimination from office or membership in the International Union, and Doria covenants not to bring suit or any proceeding, in any court, or before any administrative

EXHIBIT No. 76—Continued

against the APL-CIO, the International Union, or any subordinate union, officer, member or agent, based upon his elimination from office, termination of membership, or for damages for libel or slander.

3) This Settlement Agreement and Release constitutes the entire agreement between the parties hereto and shall not be subject to any other agreements or understandings between the parties, either oral or written, excepting that the promissory notes referred to above, which are a part of the consideration for this Release, shall be in full force and effect according to the respective terms of such promissory notes.

IN WITNESS WHEREOF, the parties have hereunto affixed their signatures below, this 6th day of March, 1957.

International Union, Allied Industrial
Workers of America, APL-CIO

By _____

Earl Heston, President

Anthony Doris
Anthony Doris

EXHIBIT No. 76A

\$30,000.00

March 6, 1957

For value received, the International Union, Allied Industrial Workers of America, AFL-CIO promises to pay to the order of Anthony Doria, within sixty (60) days following demand therefor made on or after February 1, 1958, the sum of Thirty Thousand (\$30,000.00) Dollars, in lawful money of the United States of America, at Beverly Hills, California, without interest. Should suit be commenced to enforce payment of this note, the International Union, Allied Industrial Workers of America, AFL-CIO promises to pay such additional sum as the court may adjudge reasonable as attorney's fees in said suit.

International Union, Allied Industrial
Workers of America, AFL-CIO

By

Earl Heaton, President

EXHIBIT No. 76B

\$25,000.00

March 6, 1957

For value received, The International Union, Allied Industrial Workers of America, AFL-CIO promises to pay to the order of Anthony Doria, on or before June 1, 1957, the sum of Twenty-Five Thousand (\$25,000.00) Dollars, in lawful money of the United States of America, at Beverly Hills, California, without interest. Should suit be commenced to enforce payment of this note, the International Union, Allied Industrial Workers of America, AFL-CIO promises to pay such additional sum as the court may adjudge reasonable as attorney's fees in said suit.

International Union, Allied Industrial
Workers of America, AFL-CIO.

By

Earl Heaton, President

EXHIBIT No. 77

1165

1922

UNITED STATES

THE CITY BANK
AND
TRUST COMPANY
MILWAUKEE, WIS.

1275
715

DOLLARS

INTERNATIONAL SEC. TRAS.

COIN

RECEIVED
MILWAUKEE
JAN 13 1922

PAID TO THE ORDER OF
MILWAUKEE

1165

1922

1165

1922

EXHIBIT No. 77 —Continued

No 1168

INTERNATIONAL UNION U.A.W.-A.F.L.

DATE February 11

9 53 OLD BAL

TO ANTHONY DORIA

AMT THIS CHECK 1000.00

BALANCE

DEPOSIT

DEPOSIT

BALANCE

ACCT N

N ACCOUNT

QUANTITY

E

~~Amount to A. Doria~~

REMARKS

Date of receipt as follows:

"Copies of 16-11-11"

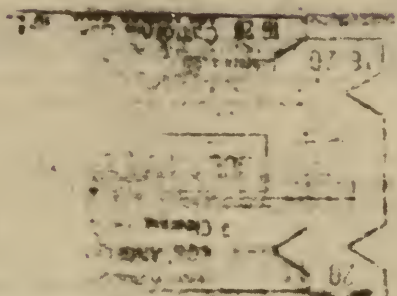
"King in Florida during Executive Session"

Session, including characters - Haffa - and

of 1000 of "UAW-AFL."

EXHIBIT No. 78

*Anthony Loria
Started the
San Diego City*



NEW YORK *June 27* 19*35* NO 451

CORN EXCHANGE BANK TRUST COMPANY
ELEVENTH WARD BRANCH 32

MILTON HOLT

PAY TO THE ORDER OF *Anthony Loria, Special Agent 5000*
San Francisco *100* Dollars
Milton Holt

*Reported in Anthony Loria - of ...
of California Press
on July 1, 1935*

EXHIBIT No. 80

EARL HEATON
INTERNATIONAL PRESIDENT

GEORGE GRISHAM
INTERNATIONAL VICE-PRES

ANTHONY DORIA
INTERNATIONAL SECY. TREAS

International Union

United Automobile Workers of America

AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR

U A W - A F O L BUILDING • 8670 WILSHIRE BOULEVARD • PHONE BRADSHAW 2-0711

BEVERLY HILLS, CALIFORNIA

July 13, 1955

Mr. Joseph Curcio, President
UAW-AFL Amalgamated Local 649
1780 Broadway, Room 1201
New York 19, New York

Re: UAW-AFL Amalgamated Local 355

Dear Joe:

With respect to Local 355, our records indicate that the last per capita tax report for this local union covered the month of December 1954 and in all instances these per capita tax reports have indicated two dues paying members for each month.

Will you please give me a complete report as to the activities of this local union indicating whether or not they have any pending elections and the extent of any organizational activity presently being carried on, if any.

Of course, all per capita tax reports that have been withheld pending this report to you should now be filed so that the reporting of this local union can be brought to date as it should be. Also, the instructions which I am mailing you to cover the operations of Local 649 should be applied to this local union so that future per capita tax reports can be filed under the new system of instructions set forth in the temporary manual.

You will also notice that I am including the receipts for per capita tax payments made by this local union covering the months of August, September, October, November and December 1954.

Fraternally yours,

Anthony Doria
Anthony Doria

International Secretary Treasurer

AD:pd
Enclosures
CC: John Dioguardi
Bookkeeping Department

EXHIBIT No. 82

October 21, 1955

Mr. John Dio
109 Freeport
Point Lookout
New York

Dear Johnny:

Here is the report on the Per Capita Tax Report which I have so far received from the New York Local Union:

Local 224	-	June 1955	555	members @	25¢	\$138.75	
		July 1955	605	"	"	<u>151.25</u>	
							\$290.00
Local 250	-	May 1955	272	"	"	\$ 83.00	
		June 1955	768	"	"	92.00	
		July 1955	762	"	"	190.50	
		Aug. 1955	770	"	"	<u>192.50</u>	
							\$643.00
Local 355	-	Jan. 1955	2	"	"	.50	
		Feb. 1955	2	"	"	.50	
		Mar. 1955	100	"	"	25.00	
		Apr. 1955	100	"	"	25.00	
		May 1955	100	"	"	25.00	
		June 1955	100	"	"	25.00	
		July 1955	100	"	"	<u>25.00</u>	
							\$126.00.

Local 649 only paid 75¢ per member, which will be adjusted when the full payment is made.

Local 227, Sant Maria has not paid since February, but will be in the new report, which has been mailed according to you.

This does not include the reports which you said were mailed recently, and as soon as the new reports are checked, I will give you another report including the payments made on the last per capita report from the New York locals.

You can send me proper billings for the \$1,059. at your earliest convenience.

Fraternally yours,

ANTHONY DORIA
International Secretary-Treasurer

PAY TO THE ORDER OF
CASHIERS

555 CH

CALIFORNIA BANK

NO 504314

59,680.00

RECEIVED

APR 17 1906

ST. LOUIS, MO.

Thistle in
Harden forest No. 1
in same place

- EXHIBIT No. 85

new COMMERCIAL
Bank of America
 NATIONAL BANKERS ASSOCIATION
 REPORTED FOR ACCOUNT OF
6662 *Enterprises*
Merchandise Procurement
 NAME
1300 1/2 Way, Glendale, Cal.
 ADDRESS
 DATE **555** *1-24-1955*
 DOLLARS CENTS
 CURRENCY
 COIN
 CHECKS (PROPERLY
 ENDORSED)
 LIST BY BANK NUMBER SEPA-
 RATELY, BELOW EACH CHECK
 COMPRISING THIS DEPOSIT

<i>12-59</i>	<i>1</i>	<i>6500</i>	<i>—</i>
<i>12-59</i>	<i>2</i>	<i>9666</i>	<i>10</i>
<i>90-1221</i>	<i>3</i>	<i>9620</i>	<i>—</i>
<i>12-96</i>	<i>4</i>	<i>250</i>	<i>—</i>
<i>12-96</i>	<i>5</i>	<i>58390</i>	<i>—</i>
<i>12-96</i>	<i>6</i>	<i>2000</i>	<i>—</i>
	<i>7</i>		
	<i>8</i>	<i>34620</i>	<i>—</i>
	<i>9</i>		
	<i>10</i>		

72

R 2 1 54

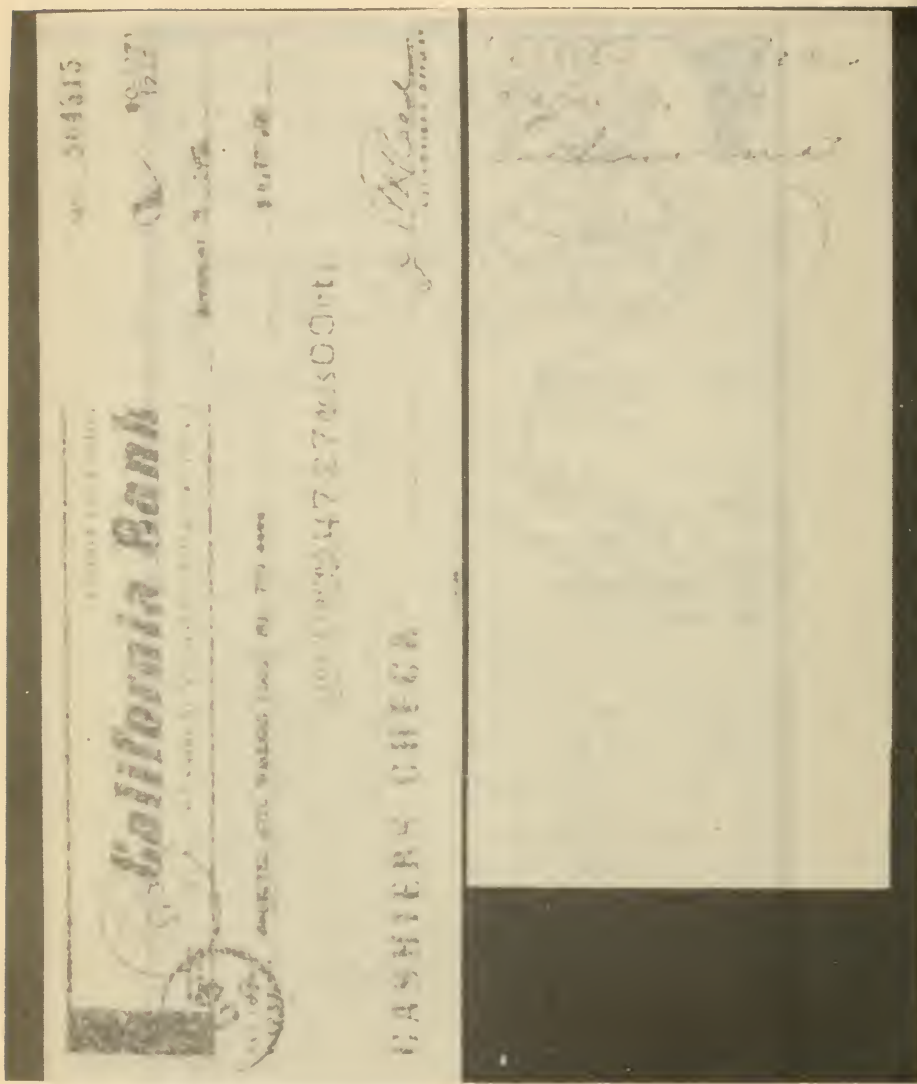


EXHIBIT No. 88

UNITED STATES
DEPARTMENT OF JUSTICE
Form No. 214 (10-1-32)

Anthony Lucia

1/17/50 Cash invested in Panamerican Life Insurance Co. 18,000 -
3/4/50 Cash on hand 11,500 -
Cash on hand 2,500 -
\$ 89,000 -

Earnings Appraisals
1948 8,550 -
1949 10,400 -
1950 13,750 -
1951 15,600 -
1952 (approx. 11,250) 3,387
51,687
22,238
539,538
Cash on hand to be invested 539,538
Living expenses etc. for 4 yrs + 2 1/2 mos. 39,000.00
147,153.8

If consider Deductible Expenses

1948 8,987.1
1949 10,788.1
1950 12,031.5
1951 17,239.3

490,463
2 100,107.5

Principal Payments on Mortgage

11,905 7500
11,000.00 1949 922.28
10,380.00 1950 964.62
10,028.10 1951 1,008.96
9,229.10 2,970.86

Living Expenses for 4 yrs + 2 1/2 mos. 2 70,398.9

1948 7,773.52
1949 6,263.8
1950 6,376.19
146,119
5 1203.84
5
5
5

EXHIBIT No. 89—Continued

Intl Disbursements for October, 1955
\$ 278, 197.91

INTERNATIONAL UNION U.A.W.-A.F.L.

DATE

October 31 19

OLD BAL

AMT. THIS CHECK

TO

Intl Disbursements m/c 10/31/55
\$ 136, 314.64

CHARGE DISTRIBUTION

AMOUNT

ACCOUNT

DO NOT POST - DO NOT POST CHECK NOT USED FOR PURPOSE
 1955 Convention Fund DRAWN - REDEPOSITED TO OUR
 ACCOUNT 11/15/55

(For fund established to cover expenses re: convention
 in Cleveland)

REMARKS

TOTAL

INT'L OFFICE

EXHIBIT No. 91

U.A.W.-A.F.L.
AMALGAMATED LOCAL #286
PHONE ALBANY 2-4606 & 7 3806 W. NORTH AVE.
CHICAGO 47, ILL.

2.168
710

1099

1922 No. 1

PAY TO THE ORDER OF

PIONEER TRUST & SAVINGS BANK
4000 WEST NORTH AVENUE
CHICAGO, ILLINOIS

DOLLARS

Treas. *Edward J. ...*

Angel ...

STATE BANK & TRUST CO. CHICAGO, ILL.

MAY 23 1952

809 00 00 00

PAID BY DEPOSIT
STATE BANK & TRUST CO.
CHICAGO, ILL.

23 MAY 23 1952

23 MAY 23 1952

DISBURSEMENT RECORD

No. 7803

May 21, 1952

1099

CHECK NO.

DATE

2000.00

AMT. \$

ACCT. NO.

L. J. Wadsworth

PAID TO

~~Receivable~~ Midwest

Director of A.F.L., 20 E. Jackson St.

ADDRESS

Loan

FOR

Chgo. 4, Ill.
P.O. - JWE 1-2511

DISBURSEMENT CHARGE

GENERAL

UNIT

Account

Anthony Floria

Secretary-Treasurer.

TRIPLICATE

First Wisconsin National Bank

of Milwaukee

1954

DATE 1 15-51

F 2800 4 10 53

CHECKS		CHECKS		CHECKS	
DOLLARS	CENTS	DOLLARS	CENTS	DOLLARS	CENTS
				5106	-
				200	-
				250	-
INDORSE		CHECKS & COUPONS		5556	-
ALL		CURRENCY			
CHECKS		SILVER			
AND		TOTAL DEPOSIT		5556	-
DRAFTS					

DEPOSITED FOR THE ACCOUNT OF

ANTHONY DORR -

PLEASE PRINT

RT2, LAKE SHORE DR

THIENSVILLE, WIS.

FOR BANK USE ONLY

TRANSIT	LOCAL	TELE	BY CHIN
11		11	

EXHIBIT No. 93

Allied Industrial Workers
OF AMERICA



Telephone
Beverly Hills

A. W. P. C. N. O.
ONE W. 31st Street, Suite 200
BEVERLY HILLS, CALIFORNIA

February 11, 1957

Mr. Anthony Doria
8670 Wilshire Blvd.,
Beverly Hills, California

Dear Sir and Brother:

In view of the Directive of February 5, 1957, from the AFL-CIO informing us that we have been found to be in violation of Section 7, Article 8, of the AFL-CIO Constitution, as being dominated, controlled and substantially influenced by corrupt influences, and in view of the publicity that has been given both in the AFL-CIO News of February 9, 1957, and national periodicals to your association with or toleration of Inciso's practices, or as stated in the News "the report found that Doria as the chief financial officer of Allied Industrial Workers tolerated many of Inciso's practices, and by juggling the bank accounts with Inciso, in fact, co-operated with him", it is quite apparent that the statements that have been made by certain of our members against you must have some foundation, and that we, must accept them as having sufficient truth in them to have occasioned the Directive of February 5, 1957, and to require us to act by accepting your resignation as Secretary-Treasurer and member of the Executive Board of our International Union.

We, therefore, accept your resignation as Secretary-Treasurer and Member of the Executive Board, and insist that you also resign your membership in the International Union. We are sorry this has to occur after your long years of service to the organization, but we can do no less than take full responsibility for charging you with, if not defined irregularities, at least "substantially influencing", or "tolerating" conduct in others that might be termed "corrupt". You can see that we are impelled to act in this manner because of the Directive, and we are informed that you are the person referred to in the recent information.

Very truly yours,

International Union, Allied Industrial
Workers of America, AFL-CIO

By

Carl Heaton
Carl Heaton, President

EXHIBIT No. 94

May 28, 1953

John Dioguardi, Bus. Mgr.
UAW-AFL Local 102,
577 Ninth Avenue,
New York 36, New York

Dear Johnny:

I am enclosing, herewith, one check number 1671 in the amount of \$2978.99 which will close out all outstanding expenditures of the local union as of the close of our drive in taxis and turning it over to the Teamsters. Salaries, of course, for those employed and paid from the International Office, will continue until and will terminate on May 29, 1953.

Also, I am enclosing check number 1672 in the amount of \$1500.00 in order to defray the expenses of attorney appearances before the New York State Labor Relations Board by Irving Bergman.

This I believe should close out completely the outstanding expenditures so that the entire drive and the records of this drive may be brought to a close.

Fraternally yours,

Anthony Doria
International Secretary-Treasurer

AD:jg
oeiu #9, afl

EXHIBIT No. 95

SPIROS W. KALLAS OF
VICTORIA M. KALLAS.

No. 223

28-1085
718

MILWAUKEE, WIS. January 1 1926

W
TO
THE
ORDER
OF

1000 00/100 72

NORTH SHORE STATE BANK
SHORTWOOD, WISCONSIN
SPIROS W OR VICTORIA M. KALLAS
DOLLARS

Handwritten notes:
1000 00/100
72

1000 00/100
72
1000 00/100
72

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IN STAMPA. I MANUSCRITTI

PAID TO THE
LIBRARY

11-10-1944

June 12

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1802

NORTH SHORE STATE BANK
- 1100 WAHITH -

244. 4538

Pay to the order of
Anthony Doria
Spiro Walla
Chesterfield

...

卷之四

...

EXHIBIT No. 100A

AFFILIATED WITH
AMERICAN
FEDERATION
OF LABOR



WAREHOUSE AND PROCESSING EMPLOYEES
LOCAL 258

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers

10 PARK AVENUE

MOUNT VERNON N. Y.

MOUNT VERNON

December 1, 1935

Joint Council #16
Martin T. Lacey, President
265 West 14th Street
New York, New York

Dear Sir & Brother:

The following are the names and titles of the officers of Local Union #258, and same are requested to be seated as delegates to Joint Council #16.

Sam Getlan	President
Richard Easton	Vice-President
Harry Davidoff	Secy.-Treas.
Manny Baglivi	Recording-Secy.
Anthony Barbera	Trustee
David Koch	Trustee
Charles Kapelowitz	Trustee

Faternally,

Harry Davidoff,
Secy.-Treas.

HD:mv

EXHIBIT No. 100B

WAREHOUSE AND PROCESSING EMPLOYEES UN
LOCAL 269

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers, U. A.

178 BROADWAY

NEW YORK, N. Y.

1955



November 29th, 1955.

Joint Council #16
Martin T. Lacey, President
265 West 14th Street
New York, N. Y.

Dear Sir & Brother:

We are submitting the names and titles of the officers of our Local Union #269, and respectfully request these same names be seated as delegates to Joint Council #16:

Armondo Simontacci	President
Basil Koschel	Vice-President
Joseph Curcio	Secy. Treas.
Philip Kazensky	Recording Secy.
Frank Easton	Trustee
John Korsizor	"
Rosario Catalano	"

Fraternally yours,

Joseph Curcio
Joseph Curcio, Secy. Treas.

JC mw

EXHIBIT
U. S. Dist. Court
S. D. N. Y.
NOV 30 1955

EXHIBIT No. 1000



WAREHOUSE AND PROCESSING EMPLOYEES
LOCAL 651

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers

19 W COLUMBIA STREET

WEST HEMPSTEAD

IVANKO

November 29th, 1955.

Joint Council #16
Martin T. Lacey, President
205 West 14th Street
New York, N. Y.

Dear Sir & Brother:

We herewith submit the names and titles of the officers of Local Union #651, and request that same be seated as delegates to Joint Council #16.

Hyman Supnick	President
Frank Alongi	Vice-President
Nathan Gordon	Secy. Treas.
Joseph Migelino	Recording Secy.
Abe Hodes	Trustee
Joseph Monica	"
Nathan Rosen	"

Fraternally yours,

Nathan Gordon

NG/mw

Nathan Gordon, Secy. Treas.

EXHIBIT
U. S. Dist. Court
S. D. N. Y.

16 1956

EXHIBIT No. 101

ATED WITH
AMERICAN
OPERATION
LABOR



WAREHOUSE AND PROCESSING EMPLOYEES

LOCAL 362

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers

119 WEST COLUMBIA STREET

HEMPSTEAD L I

EVAN

December 1, 1955

Joint Council #16
Martin T. Lacey, President
265 West 14th Street
New York, New York

Dear Sir & Brother:

I am enclosing a listing of titles and officers of our Local Union #362, and requesting that we may be seated as delegates to Joint Council #16.

Sidney Hodes	President
Martin Schlanger	Vice-President
Abraham Brier	Secy.-Treas.
George Monica	Recording-Secy.
Stanley Seglin	Trustee
Joseph Infantino	Trustee
Murry Stein	Trustee

Fraternally,

Abraham Brier
Secy.-Treas.

AB:ko

EXHIBIT
U.S. DEPT. OF JUSTICE
RECORDS SECTION

EXHIBIT No. 102

AFFILIATED WITH
AMERICAN
FEDERATION
OF LABORS



WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 269

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America
1780 BROADWAY NEW YORK 19, N. Y.

January 27th, 1956.

Mr. Dave Beck
International Brotherhood of Teamsters, Chauffeurs,
Warehousemen and Helpers of America, A.F.L.
25 Louisiana Avenue
Washington, D. C.

Dear Sir & Brother.

The following letter is being written to you in behalf
of Local Unions:

#258	#284
269	362
	651

on an individual as well as a collective basis, primarily for your
convenience.

Under Article 15, Section 6 of the International Constitution we, the above Local Unions, have affiliated with Joint Council #16. In accordance with Article 15, Sections 2 and 3, each of the above Local Unions has sent to Joint Council #16 a list of the seven (7) Executive Officers which are to be the delegates to the Joint Council and the required amount of per capita tax in payment of monthly dues. As affiliates of the Joint Council, the delegates of the above Local Unions should of course become entitled to participate in the election of Joint Council Officers scheduled to take place February 14th, 1956.

However, information has come to us that Mr. Martin Lacy, President of the Joint Council has publicly stated that the above Local Unions will not be permitted to participate in the forthcoming election. This information seems to be born out by virtue of the fact that the Joint Council has sent letters to the various Local Unions, affiliated with the Joint Council, requesting said Local Unions to forward a list of official delegates accredited by the Local Unions to participate in the election. None of the above Local Unions have received the above written request from the Joint Council.

EXHIBIT No. 102—Continued

AFFILIATED WITH
AMERICAN
FEDERATION
OF LABOR



WAREHOUSE AND PROCESSING EMPLOYEES UNION
LOCAL 269

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America

1780 BROADWAY

NEW YORK 19, N. Y.

PLAZA 7-6180

Mr. Dave Beck
International Brotherhood of Teamsters
Chauffeurs, Warehousemen & Helpers of
America, A.F.L.

- 2 - January 27th, 1956.

Thus far we have been unable to obtain a ruling from the Joint Council, concerning our official status as affiliated Local Unions in accordance with the above described provisions of the International Constitution. Therefore we are urging you to issue your prompt ruling, instructing the officers of the Joint Council, to recognize our status as affiliates of the Joint Council, with full rights to participation in the forthcoming election. We believe that our right to participate might be jeopardized unless the officers of the Joint Council are specifically instructed to include the names of our accredited delegates on the official voting list of accredited delegates, which will be prepared prior to the election.

In view of the time limitation confronting us, we urge your prompt attention to this matter.

If, in the event a decision cannot be reached prior to the election, is it possible that you can make a ruling to the effect that we, the above Local Unions should be able to vote, even though it be under some form of protest, whereby our rights to vote shall be protected even if it is under a challenged ballot.

Faithfully and Fraternally

By Gary Sandell
Local #258 - Secy. Treas.

By Joseph Curcio
Local #269 - Secy. Treas.

By Arthur J. Juss
Local #284 - Secy. Treas.

By Abraham Brier
Local #362 - Secy. Treas.

By Nathan Gordon
Local #651 - Secy. Treas.

CC to: Mr. D. Beck, Seattle, Wash.
Mr. Einar Mohn
Mr. John F. English

EXHIBIT No. 103

Local Union 295

INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSE MEN & HELPERS - A.F.L.

American Federation of Labor

411 NINTH AVENUE • NEW YORK 1 • N.Y. •

January 27th, 1934.

Mr. Dave Beck
 International Brotherhood of Teamsters, Chauffeurs,
 Warehousemen & Helpers of America - A.F.L.
 25 Louisiana Avenue
 Washington, D. C.

Dear Sir & Brother:

Since we received our Charter from the International Union two months ago, we have endeavored to the very best of our ability to function as an affiliate in accordance with the terms and conditions of the International Constitution. We hope, as far as we know, met with all the requirements of the various sections of the constitution, particularly in regard to the payment of fees, contributions and per capita tax to the International Union, Eastern Conference of Teamsters and Joint Council No.

As you undoubtedly know the election of officers is scheduled to take place in our Joint Council in the very near future, and to date we have not been advised by the Council whether we are eligible to take part in the election as an affiliated local union.

It is our feeling and belief that as a local union, independent standing, we have the rights and privileges, as well as the duties and responsibilities to function in all matters affecting our affiliation with the International Union, the Area Conference and Joint Council.

Our attention has been called to certain statements allegedly coming from Brother Lacey, President of Joint Council 16, to the effect that we will not be permitted to vote in the election. We are lending some truth to this situation because to date we have not received any acknowledgements of our communications to the Joint Council, nor have we received a receipt for our per capita payment to the Joint Council. We know of no reason why we should be so treated in such an unbrotherly fashion, only because of the personal politics of a single officer of the Joint Council who is involved in an election.

EXHIBIT No. 103—Continued

Local Union 295

INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN & HELPERS OF AMERICA
American Federation of Labor

421 NINTH AVENUE • NEW YORK 1, N. Y. • LACKAWANNA 4 7162



Mr. Dave Beck
International Brotherhood of Teamsters, Chauffeurs
Warehousemen and Helpers of America, A.F.L.

- 2 -

January 27th, 1956.


No charges have been preferred against our Local Union or any of our officers by anyone at any time, therefore we feel that we are within our right to appeal to you, as our Chief Executive, to check this matter and issue your determination in accord with your constitutional authority.

We await your decision on this question, whether the International Constitution which pertains to Local Unions and Joint Councils, prevail as to our right to vote under the circumstances herein outlined.

With warm personal regards and best wishes, I remain in behalf of Local Union #295

Sincerely and Fraternally

By


Secy. Treas.

CC to: Einor Mohn
John F. English
Joint Council #16

X

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